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RELOCATION SURVEY REPORT

Prepared for the SAN FRANCISCO REDEVELOPMENT AGENCY

August 1967

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E. M. SCHAFFRAN AND CO.

311 CALIFORNIA STREET
SAN FRANCISCO 94104

—
(415) 362-8267

August 9, 1967

Mr. M. Justin Herman
Executive Director
San Francisco Redevelopment Agency
525 Golden Gate Avenue
San Francisco, Calif. 94102

Dear Mr. Herman:

The Relocation Survey Report, completed in accordance with contract provisions, is herewith presented.

The subject of this report is the capacity of housing resources in San Francisco to absorb the impact of prospective residential displacement.

Sincerely yours,

E. Morton Schaffran

E. Morton Schaffran
President

EMS:b

Acknowledgments

This survey could not have been completed without the assistance of many individuals and organizations. To all who gave of their time and patience in responding to requests for information we are grateful. Especially, we wish to express our appreciation to those agencies which helped us repeatedly -- the Housing Authority, the Department of City Planning, the Department of Public Health, and the Department of Public Works.

E. Merton Schaffran

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Chapter I

The Assignment

This report contains an analysis of the prospects of successfully relocating the families and single individuals who would be displaced by the redevelopment of Western Addition A-2, Yerba Buena Center, and Hunters Point. This has involved, essentially, a study of housing supply and demand, to update the facts that are pertinent to the relocation question.

On the supply side: This firm was responsible for obtaining data on housing resources. Special surveys were conducted, principally in the summer of 1966, to gather information on the availability of various types of housing accommodations -- rooms, rental dwellings ranging from studios to five-bedrooms, and single-family houses for sale. The purpose of these efforts was to determine the volume and characteristics of housing that would be available over a five-year period to meet the needs of displaced households.

On the demand side: The San Francisco Redevelopment Agency was responsible for obtaining current information on the housing needs of the families and single persons who would be displaced by the prospective redevelopment activity. This firm was responsible for gathering facts on prospective housing needs that may result from other public displacement activity, such as code enforcement, highway and rapid transit construction, and demolition of temporary housing projects.

In the chapters which follow, data on supply will be presented first, then information on demand, followed by an analysis of supply adequacy, and recommendations for obtaining a satisfactory inventory of replacement housing.

Chapter II. Hotel Rooms

A. Survey Procedures

1. Questionnaire.

Questionnaire preparation was the first step in the survey of hotels. The contents of the questionnaire were finalized after consultation with hotel accounting experts, Harris, Kerr, Forster & Co., and field trial among hotel managers. The questionnaire is hereto attached.

2. Hotel Listings.

The San Francisco Department of Public Health prepared, at our request, an up-to-date listing of all hotels in the city as of June, 1966. Data for each hotel showed the address, number of rooms, and whether a Permit of Occupancy was then in effect, or whether the hotel was closed at that time. Those hotels with current Permits of Occupancy were classified as "standard" for the purpose of this survey.

3. Selection of Areas.

The principal areas of modest-priced hotels were selected for coverage. These are six in number, whose boundaries are detailed below:

Area

A. South-of-Market. From Market Street south to Townsend, from Ninth Street east to the waterfront.

B. The North-of-Market triangle formed by Market, Polk, and Geary. This triangle includes the "Tenderloin" area.

- C. The Mission District. Also includes two hotels on outer Third Street.
- D. Western Addition principally, but including three hotels on Market west of Van Ness and two on Union west of Van Ness.
- E. North Beach and Chinatown, principally. This area runs from Post north to the waterfront and Van Ness east to the waterfront.
- F. Hunters Point. Six hotels only.

4. Selection of Hotels.

The final list of hotels scheduled for enumeration was prepared after removing from the hotels in the selected area those readily classifiable as too expensive for relocatees and those scheduled for demolition in the Yerba Buena Center and Western Addition A-2 Redevelopment Areas.

5. Interviews.

Questionnaires were mailed to hotels with the covering letter hereto attached. Interviewer visits were then made several days following the receipt of the questionnaires. The hotel lists were further reduced by field observations of hotels which had been converted to apartment or boarding houses, vacated, burned down, etc.

Repeated visits had to be made in many cases to elicit information.

6. Processing.

After office-editing, data were punched on cards, and machine listings obtained, from which the appended tables were prepared.

B. Hotel Coverage

The following table shows in the first column that 571 hotels with Occupancy Permits appeared on the listing obtained from the city in the six areas selected for the study. Of these, 288 were eliminated from coverage, for the reasons given below. Thus, 283 hotels became the statistical "universe" for this inquiry.

Table 1

<u>Area</u>	<u>Total</u>	<u>Eliminated</u>	<u>"Universe"</u>
Total	571	288	283
A	105	59	46
B	137	60	77
C	63	12	51
D	56	42	14
E	197	108	89
F	13	7	6

The distribution of eliminated hotels, by reason of elimination, is shown below :

Table 2

Too expensive	104
Schedule for demolition	50
Apartment buildings and boarding houses	87
Sanitoria, convents, offices	15
Other (fire, etc.)	<u>32</u>
Total :	288

The following table shows the coverage attained among the 283 hotels which form the statistical universe for this study .

Table 3

Area	Total Sta- tistical "Universe"	Data Obtained			
		Most Or All Data	Only Rate Breakdown	Only Rate Range	No Data
A	46	32	8	3	3
B	77	55	7	12	3
C	51	37	9	-	5
D	14	11	-	1	2
E	89	74	8	3	4
F	6	6	-	-	-
Total Hotels	283	215	32	19	17
Per Cent	100.0%	76.0%	11.3%	6.7%	6.0%
Total Rooms	15,105	11,025	1,824	1,469	787
	100.0%	73.0%	12.1%	9.7%	5.2%

The 283-hotel "universe" includes 15,105 rooms. Meaningful data on rates and occupancy were obtained for 76.0% of these hotels, which included 73.0% of all rooms.

Where occupancy data were unobtainable, effort was made to get at least rate information. This was successful in 32 hotels where a rate breakdown was elicited, and another 19 where rent range only was secured. Of the 283 hotels, no information was obtained on only 17, which included, for instance, locked hotels, where admission is by key only, and manager is unavailable for interview.

C. Sample Reliability

On the warranted premise that the 68 hotels for which complete information was not obtained are similar to the 215 for which meaningful data on rents and occupancy were secured, the sample reliability of the results reported here was calculated by the use of appropriate statistical techniques. A discussion of sample reliability is contained in the Appendix to this report.

D. Occupancy Data

Table 8 attached shows the occupancy data for the 11,025 rooms in the 215 hotels for which meaningful occupancy facts were obtained. For the purpose of this survey, guests were classified as follows according to length of stay at time of enumeration.

Table 4

Permanent :	Over 30 days
Semi-Permanent :	8 - 30 days
Transient :	1 - 7 days

The application of the percentage distributions in Table 8 to the 15,105 room-universe yields this occupancy picture :

Table 5

Total Rooms	<u>15,105</u>	<u>100.0%</u>
Total Occupied	<u>13,579</u>	<u>89.9</u>
By Permanents	10,422	69.0
By Semi-Permanents	1,949	12.9
Transients	1,208	8.0
Total Vacant	1,526	10.1

E. Rooms Occupiable By Permanent Residents

Of critical importance to this study is the number of rooms available to relocatees who may be expected to remain in their new quarters over an extended period of time, who are thus permanent in the more meaningful sense of the word. Accordingly, hotel operators were requested to indicate the total number of rooms they would be willing to rent to permanent residents, and whether there would be any seasonal variation in this maximum. Where seasonal variation was indicated, only the lower maximum (summer period) was tabulated as representing the number available through the year.

Table 8 yields the information that 65% ^{1/} of the rooms not currently occupied by permanents are available for permanent occupancy. This means that 20.03% of all hotel rooms are currently open to move-in by permanent guests within a month or less. As applied to the universe of 15,105 rooms, this would indicate that 3,026 rooms are either vacant (thus immediately available) or occupied by transient or other non-permanent persons.

We now turn to an examination of the rents being charged in these hotels for monthly occupancy. Table 9 shows the rent distribution for the 9,619 rooms that can be placed in permanent occupancy; this includes the rooms available to permanents which were currently vacant or occupied by non-permanents plus those rooms then occupied by permanents which the hotels were willing to let remain in

^{1/} Computed as follows : Divide "additional rooms open to permanents" (2,209) by the sum of rooms vacant (1,112) and occupied by transient (881) and semi-permanents (1,426).

permanent occupancy. Table 10 confines the rent distribution to the 2,209 enumerated rooms available for permanents which were not then occupied by permanents.

If the percentage distributions in Tables 9 and 10 are applied to the estimated universe totals, the rent distributions shown below are obtained.

Table 6

Monthly Rent	Rooms Occupiable by Permanents			
	All		Additional	
	No.	Pct.	No.	Pct.
Total :	13,178 ^{1/}	100.0	3,026 ^{2/}	100.0
\$20 - 24.99	395	3.0	76	2.5
25 - 29.99	1,212	9.2	230	7.6
30 - 34.99	1,700	12.9	439	14.5
35 - 39.99	1,450	11.0	363	12.0
40 - 44.99	3,320	25.2	780	25.8
45 - 49.99	1,226	9.3	300	9.9
50 - 54.99	804	6.1	139	4.6
55 - 59.99	527	4.0	82	2.7
60 - 64.99	1,173	8.9	278	9.2
65 - 69.99	646	4.9	182	6.0
70 and over	725	5.5	157	5.2

1/ Total rooms in "universe", multiplied by the per cent of rooms available to permanents in the sample to total rooms in the sample.

$$15,105 \times \frac{9,619 \text{ (avail. to perm. in sample)}}{11,025 \text{ (total rooms in sample)}} =$$

$$15,105 \times .873 = 13,178$$

2/ Total rooms in "universe" multiplied by the per cent of additional rooms available to permanents in sample to all rooms available to permanents in sample, multiplied by the per cent (.873) arrived at in the preceding footnote.

$$15,105 \times \frac{2,209 \text{ (addl. avail. to perm. in sample)}}{9,619 \text{ all rms. avail. to perm. in sample}} \times .873 =$$

The estimated 13,178 rooms occupiable by permanents do not represent a closed system. Turnover is rapid, and therefore increases the total effective inventory over time. This is the next subject to be examined.

F. Turnover

Table 11 shows length of stay for permanent residents and for semi-permanents. This indicates how long they had been in occupancy at the time of enumeration. The following percentages are derived from the Table 11 data.

Table 7

<u>"Permanents"</u>	<u>Pct.</u>
Total	100.0
1 month	5.4
2 months	2.4
3 months	4.0
4 months	3.9
5 months	4.0
6 months	8.3
7-12 months	19.7
Over 12 months	52.3
<u>"Semi-Permanents"</u>	
Total	100.0
8-14 days	35.0
15-21 days	29.1
22-30 days	35.9

These figures show substantial turnover among the "permanent" guests who are so classified by definition only. The indication is that about half of the "permanent" guests leave by the end of one year of occupancy.

A special, reasonably random, sample of 72 "permanent" guests who had recently left their hotels was taken, in which information was obtained on length of stay prior to move-out. The sample results were bi-modal, with one mode at two or three months, and the other at over seven

months. In this sample, about half the residents had left before the end of four months, while 25% stayed from four to seven months, and the remaining 25% had stayed over seven months.

From all evidence, it may be conservatively concluded that half of the rooms occupied by "permanent" guests (estimated from Table 8 as 10,420) will be vacated during a twelve-month period.

Table 8

Occupancy of Hotel Rooms, and Capacity
for Additional Permanent Occupants, by Area

Occupancy	Total No.	Total Percent	June-July, 1966					
			Area A	Area B	Area C	Area D	Area E	Area F
1. Total Rooms	11,025	100.0	2,197	3,361	1,471	423	3,479	94
2. Total Occupied	9,913	89.9	1,658	3,153	1,284	399	3,354	65
a. Permanent ^{1/}	7,606	69.0	1,084	2,390	1,060	314	2,705	53
b. Semi-Permanent ^{2/}	1,426	12.9	274	482	158	66	434	12
c. Transient ^{3/}	881	8.0	300	281	66	19	215	0
3. Total Vacant	1,112	10.1	539	208	187	24	125	29
4. Additional Rooms Open to Permanents ^{4/}	2,209	20.0	542	684	340	87	516	40

^{1/} Staying over 30 days

^{2/} Staying 8-30 days

^{3/} Staying 1-7 days

^{4/} Currently vacant or not occupied by permanent guests

Table 9

Rent Distribution of All Rooms Available to Permanent Occupants*

Monthly Rent	June-July, 1966													
	Total		Area A		Area B		Area C		Area D		Area E		Area F	
No. (1)	% (2)	No. (3)	% (4)	No. (5)	% (6)	No. (7)	% (8)	No. (9)	% (10)	No. (11)	% (12)	No. (13)	% (14)	
Total	9619	100.0	1543	100.0	3019	100.0	1392	100.0	401	100.0	3171	100.0	93	100.0
\$20-24.99	285	3.0	60	3.9	12	0.4	40	2.3	0	0.0	173	5.5	0	0.0
25-29.99	888	9.2	179	11.6	128	4.2	61	4.4	2	0.5	510	16.1	8	8.6
30-34.99	1245	12.9	175	11.3	59	2.0	188	13.5	56	14.0	737	23.2	30	32.3
35-39.99	1066	11.0	138	8.9	148	4.9	258	18.5	2	0.5	491	15.5	29	31.2
40-44.99	2422	25.2	398	25.8	750	24.8	497	35.7	210	52.4	560	17.7	7	7.5
45-49.99	893	9.3	83	5.4	481	15.9	48	3.4	33	8.2	229	7.2	19	20.4
50-54.99	586	6.1	66	4.3	303	10.0	66	4.7	49	12.2	102	3.2	0	0.0
55-59.99	387	4.0	179	11.6	140	4.6	0	0.0	0	0.0	68	2.1	0	0.0
60-64.99	847	8.9	83	5.4	419	13.9	135	9.7	49	12.2	161	5.1	0	0.0
65-69.99	473	4.9	154	10.0	229	7.6	0	0.0	0	0.0	90	2.8	0	0.0
70 & over	527	5.5	28	1.8	350	11.6	99	7.1	0	0.0	50	1.6	0	0.0

* Includes currently occupied rooms (by Permanent or other) and currently vacant rooms open to Permanents. This excludes those rooms not rentable to Permanents.

H.

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Table 10Rent Distribution of Rooms Available to Permanent OccupantsWhich Were Vacant or Occupied by Non-Permanents atTime of Survey, June-July, 1966

Monthly Rent	Total No.	Total Percent	Area A	Area B	Area C	Area D	Area E	Area F
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	2209	100.0%	542	684	340	87	516	40
\$20-24.99	55	2.5	29	0	5	0	21	0
25-29.99	168	7.6	61	25	11	0	71	0
30-34.99	320	14.5	102	19	67	8	111	13
35-39.99	266	12.0	45	53	72	0	77	19
40-44.99	569	25.8	132	203	58	51	124	1
45-49.99	218	9.9	32	113	14	11	41	7
50-54.99	101	4.6	18	58	11	5	9	0
55-59.99	60	2.7	24	27	0	0	9	0
60-64.99	203	9.2	25	83	51	12	32	0
65-69.99	133	6.0	66	57	0	0	10	0
70 & over	116	5.2	8	48	51	0	11	0

TABLE 11

Length of Stay of Permanent and Semi-Permanent Occupants, by Area

Length of Stay	Total No.	Total Per Cent	June-July, 1966					
			Area A	Area B	Area C	Area D	Area E	Area F
1. <u>Permanents</u>	6626	100.0%	749	2167	768	306	2583	52
1-6 months	1858	28.0	193	638	215	44	759	9
7-12 months	1300	19.7	75	545	106	27	536	11
Over 12 months	3468	52.3	481	984	448	235	1288	32
2. <u>Permanents</u> ^{1/}	1110	100.0%	134	259	187	50	470	10
1 month	214	19.3	36	43	120	3	11	1
2 months	97	8.7	26	31	14	11	11	4
3 months	158	14.2	22	44	22	15	51	4
4 months	154	13.9	24	46	11	7	66	0
5 months	160	14.4	13	42	14	3	87	1
6 months	327	29.5	13	53	6	11	244	0
3. <u>Semi-Permanents</u>	1195	100.0%	167	297	77	66	423	12
8-14 days	418	35.0	71	158	34	32	116	7
15-21 days	348	29.1	49	139	32	7	116	5
22-30 days	429	35.9	48	152	11	27	191	0
^{1/} Includes only those permanents of less than 7 months occupancy for whom monthly breakdowns were obtainable								

APPENDIXReliability of the Sample

The sampling design for the hotel study is a cluster sample of all rooms contained in hotels in the universe. The "universe" is all standard, modest-priced hotels in the areas selected, which are not scheduled for demolition. Each room of a hotel in the universe is the primary sampling unit. The only hotels in the universe not included in the sample are those for which interviews could not be completed.

For accepted statistical techniques to be applicable, failure to complete interviews would have to occur in a completely random fashion, i.e., nonsampled hotels are simply a representation of the hotels sampled. Interviews were not completed for two primary reasons: failure of the resident manager to supply all or part of the information required and failure to find a resident manager. In the latter case, the hotels were reviewed and subjectively determined to be not unlike those sampled. For those from which some information was obtained, a rent distribution comparison was made between the 76% of the universe contained in the sample and the 11.3% of the universe for which rate distribution data only were obtained. The comparison of the rate data is shown in the table below. Notice that the median rent in the non-sample hotels is somewhat higher (\$2.24 per month) and the rent range somewhat narrower. However, the differences are not great. Therefore, it is reasonable to treat the 215 hotels in the sample as a random cluster sample of the 283 hotels in the universe.

Comparison of Rent Distribution and Quartiles for
Three Groups of Hotel Rooms

MONTHLY RENT	<u>Hotels With Meaningful Occupancy Data</u>				<u>Hotels With Rent Distribution Only</u>	
	All Rooms Available To Permanents	Rms. Avail. to Permanents Now Vacant or Occpd. By Non-Permanent				
	<u>Distbtn.</u>	<u>Quartiles</u>	<u>Distbn.</u>	<u>Quartiles</u>	<u>Distbn</u>	<u>Quart.</u>
Total	100.0%		100.0%		100.0%	
\$20-24.99	3.0		2.5		-	
25-29.99	9.2		7.6		1.0	
30-34.99	12.9	\$34.96	14.5		15.5	
35-39.99	11.0		12.0	\$35.17	10.6	\$35.65
40-44.99	25.2	42.76	25.8	42.59	14.0	
45-49.99	9.3		9.9		31.5	45.00
50-54.99	6.1	53.60	4.6	52.93	16.8	50.38
55-59.99	4.0		2.7		2.3	
60-64.99	8.9		9.2		2.6	
65-69.99	4.9		6.0		5.7	
70 and over	5.5		5.2		-	

The user of these data will be interested in two key statistics: the proportions of all rooms in the sample open to permanents, and the proportions of all rooms open to permanents which at the time of the survey were occupied by transients or vacant. The product of these two proportions yields the proportion of all rooms in the sample which are open to permanents but vacant or occupied by non-permanents.

Because the proportion of total clusters sampled is so large (76%) and all units within a cluster were enumerated, the increase in sampling error

usually associated with a cluster design is offset by the very large sample. The result is that there is very little sampling error connected with this sample. For the universe overall, it can be said with 95% confidence that the true proportion of all hotel rooms open to permanents is 87.3% \pm .3%, and the true proportion of rooms open to permanents which are vacant or occupied by non-permanents is 22.9% \pm .6%. At the 95% level of confidence, the true proportion of all rooms in universe hotels which are vacant or occupied by non-permanents and open to permanents is 20.03% \pm .4%. Thus, of the 15,105 rooms in the universe, the number open to permanent guests is,

$$(15,105)(20.03\% \pm .4\%) = 3,026 \pm 60 \text{ or } 2,966 \text{ to } 3,080 \text{ rooms.}$$

The user of these data may also wish to work with subgroups of this universe, e.g. to know the number of rooms available in a particular rent class or geographic area. The sampling error in a subgroup will vary with the sample size of the subgroup, the size of the proportion being considered, and the homogeneity of the subgroup. In Area F, for example, all rooms in the universe were enumerated so there is no sampling error. As a rough guide, however, the following table presents the maximum error in the percentages considered above, expressed as a function of sample size.

Maximum Values of Sampling Error at the
95% Level of Confidence

<u>Sample Size</u>	<u>Plus and Minus</u>	<u>Sample Size</u>	<u>Plus and Minus</u>
200	5.3%	2,000	1.6%
400	3.7%	3,000	1.3%
600	3.0%	4,000	1.2%
800	2.6%	5,000	1.1%
1,000	2.3%	6,000	1.0%

E. M. SCHAFFRAN AND CO.
1231 Market Street - Room 234
San Francisco 94103
621-5746

June , 1966

Manager

San Francisco, California

Dear Sir:

Redevelopment activity in San Francisco will involve the relocation of persons living in hotels that will be cleared to make way for new construction. Accordingly, we are now conducting a survey for the San Francisco Redevelopment Agency, to determine current room rates and the number of rooms that will be available over a period of time to absorb this added business.

The information needed is included on the attached questionnaire. We would appreciate it very much if you would complete this questionnaire and have it ready to give to our representative, who will be calling upon you in about a week. The extra copies are for your records.

Let me assure you that all facts gathered in this survey will be strictly confidential. The information you give will not be used for making referrals or for any purpose other than producing statistical summaries of hotel accommodations.

May we express our appreciation in advance for your cooperation in this important survey undertaking.

Sincerely yours,

E. Morton Schaffran

E. Morton Schaffran
President

EMS:b
Encls.

CONFIDENTIAL QUESTIONNAIRE

1. Number of rooms _____				
2. Please show the number of permanent, semi-permanent and transient guests in the hotel on a current weekday. Indicate the date used.				
			As of _____, 1966	
		Those Staying		
Permanents:	Over 30 days		_____	
Semi-Permanents: . . .	8 to 30 days		_____	
Transients:	1 to 7 days		_____	
3. Please indicate the TOTAL number of rooms in the hotel that you would be willing to rent to PERMANENT guests. _____ rooms.				
4. List the Room Rates for single occupancy and show the total number of rooms at each rate.				
			For ALL Rooms in Hotel You Would Rent to Permanent Guests	
Number of Rooms	Rate Per Night	Rate Per Week	No. of Rooms	Rate Per Month
_____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
=====			===== Total	
How much do you increase the rate for two-person occupancy?				
Per Night \$ _____ Per Week \$ _____ Per Month \$ _____				
5. Kindly show the period of time your <u>present PERMANENT</u> guests (over 30 days occupancy) have lived there.				
Period of Time at Hotel		Number of PERMANENT Guests		
1 month		_____		
2 months		_____		
3 months		_____		
4 months		_____		
5 months		_____		
6 months		_____		
7 to 12 months		_____		
One Year or More		_____		
			Total Permanents Now Living in Hotel	
			=====	
6. Show the period of time your present SEMI-PERMANENTS (from 8 to 30 days) have lived there:				
Period of Time At Hotel		Number of SEMI-PERMANENT Guests		
8 to 14 days		_____		
15 to 21 days		_____		
22 to 30 days		_____		
			Total Semi-Permanents Now Living in Hotel	
			=====	

Chapter III

Rooms Not in Hotels

A. Principal Conclusion

Rooms in rooming-houses, guest houses and private dwelling units are not available at rents lower than the lowest-rent standard hotel rooms; in fact, whereas standard hotel rooms were found in the \$20-24.99 and \$25-29.99 monthly rent categories, only one non-hotel room was found at less than \$30 per month. Also, considerable racial discrimination was found among non-hotel rooms.

When enough facts were gathered on non-hotel rooms to yield the above conclusions, the survey of this sector of the housing inventory was terminated. Accordingly, non-hotel rooms are excluded from the projected resources, although they do supplement the supply of rooms available in hotels.

B. Enumeration Survey

Thirty-four non-hotel structures containing rooms for rent were selected for enumeration. These structures were chosen through identification by enumerators during the course of their field-work on rental dwelling units, and through newspaper ads. Of these 34, eight fell by the wayside as substandard, after field inspection and record-checking at the Department of Public Health.

There were 110 rooms in the 26 enumerated structures. Practically all of these were furnished, and 73% of them also provided linens.

The rent distribution of these 110 rooms is given below. The following table also contains data on kitchen availability.

Rent Distribution of Non-Hotel Rooms
and Kitchen Availability

<u>Monthly Rent</u>	<u>Total Rooms</u>	<u>With "Kitchen"</u>	<u>Kitchen Use</u>	<u>No Kitchen Use</u>
Total	110	17	58	35
\$20-29.99	1	-	-	1
30-39.99	19	-	3	16
40-49.99	56	5	37	14
50 & over	34	12	18	4

At the time fo the survey, 16 of the 110 rooms were vacant. There had been 70 turnovers during the preceding year. The distribution of these by rent group are shown below:

<u>Monthly Rent</u>	<u>Total Rooms</u>	<u>Total Vacant</u>	<u>Turnovers Within Past 12 Mos.</u>
Total	110	16	70
\$20-29.99	1	-	-
30-39.99	19	5	13
40-49.99	56	7	39
50 & over	34	4	18

The bulk of the 110 rooms was located in private dwelling units, as the following distribution indicates:

<u>Type of Building in Which Rooms Are Located</u>	<u>Number of Rooms</u>
Total	110
Single-Family	8
Two Dwellings	26
Three Dwellings	18
Four Dwellings	-
Five Dwellings or More	20
Rooming-Houses	38

Of the three cases where discrimination was legal (less than three rooms being available in each case) two practiced discrimination against Negroes; these involved four rooms. In the other 23 cases, where discrimination was not legal, one respondent, with five rooms, admitted discrimination against Negroes.

In the non-hotel room inventory as a whole, substantial discrimination is practiced against Negroes, if for no other reasons than

that discrimination is legal where less than three rooms are being rented and that owners do in fact discriminate in a proportion of such cases. Where discrimination is not legal, it is easier to circumvent the law because of the dispersion through the city and the smallness of the "business entity."

There was marked admitted discrimination, however, as to sex and age. Only half of the rooms were open to either sex of any age, as shown below:

Men only	22
Elderly men only	15
Young men only	1
Young adults only	5
Women only	13
Any sex or age	44
	<u>110</u>

It is quite apparent from this distribution that men are more welcome than women in this type of housing accommodation.

C. Newspaper Survey

Supplementary data on non-hotel rooms were obtained by a study of the 34 newspaper ads on "Rooms" appearing in the San Francisco Chronicle on July 27, 1966. The 34 ads were whittled down to 21, since 13 were for rooms that were too expensive, already enumerated, substandard, or actually studio apartments. These 21 ads are classifiable as follows:

	Total	Monthly Rent			
		\$30- 39.99	\$40- 49.99	\$50- 59.99	\$60 & Over
1. <u>Total</u>	21	5	7	6	3
2. <u>Kitchen</u>					
Kitchen	2	1	-	1	-
Kitchen Privileges	7	-	4	1	2
No mention	12	4	3	4	1
3. <u>Sex</u>					
Male only	5	1	2	1	1
Young male only	3	1	1	1	-
Female only	4	-	2	1	1
Young female only	4	-	2	1	1
Other	1	-	-	1	-
No mention	6	2	2	1	1

The newspaper ads corroborate the enumeration findings that there is no effective inventory of standard non-hotel rooms renting for less than the rooms in standard hotels.

Chapter IV

Survey of Private Rental Units

A. Introduction

The purpose of the survey of private rental units was to obtain data on standard rental housing available to prospective displacees. Since the emphasis was on housing availability, special effort was made to secure information on the characteristics of units that were vacant at time of survey - standardness, rent, number of bedrooms, availability to minorities and families with children. The turnover information that was obtained also reflected these characteristics.

B. Sampling Method

The sampling method was formulated to yield optimum information within the governing limitations of time and dollars available for this portion of the survey. Dr. James M. Carman, Assistant Professor of Business Administration, University of California (Berkeley), provided technical guidance in sample selection, enumeration processes, and review of data for statistical reliability.

The field-work was performed within the 83 census tracts of the city that contain the principal volume of rental units, 81% of the city's total at the time of the 1960 census. These tracts are listed in Appendix A to this chapter. Some of these tracts contain both luxury and non-luxury rental housing; in such cases only the non-luxury blocks were enumerated.

Redevelopment Areas were not enumerated; this includes the Golden Gateway, Western Addition A-1 and A-2, Yerba Buena Center and Diamond Heights. Coverage excluded both temporary and permanent public housing projects, the latter being the subject of a special report in Chapter VI. The map included as Appendix B shows the boundaries of

the 83-tract area. The chief sectors of the city not covered by the survey were the Sunset and the areas west and south of Twin Peaks.

Enumeration quotas were established for each census tract, at 5% of the units shown in the 1960 Census at each number of rooms group. Thus, if a census tract included 200 3-room units and 300 4-room units, the sampling quota included 10 3-room units and 15 4-room units. Since the Census distribution of housing units by number of rooms includes all units, both owner and rental, the sampling of rental units was greater than 5%. The estimated sample coverage of rental units is discussed in Section E of this chapter.

In statistical parlance, the sampling method is of a stratified area design, the area being the selected census tracts or sub-tracts, and the stratification being the number of rooms in the unit.

The statistical universe for the sample may be defined as rental units in standard buildings over one-year old in specific census tracts, or sub-tracts of the city, judged to contain non-luxury rental housing. Under this definition, the total number of rental units in the universe can be arrived at by up-dating 1960 census information.

Since emphasis was placed upon describing vacant units, the method of sample selection was not entirely random. For the opening enumeration within a Census tract, the enumerators were instructed to select on a given block one or more buildings with posted vacancy signs, and following the successful enumeration of said building(s), to select at random another building on the same block with no posted vacancy sign. Thus, in every block where at least one building was selected for a posted sign, another building was selected for control purposes with no outward sign of vacancies.

In some cases, a vacancy sign is left on a building even though no vacancies may exist at the time.

Information was obtained for all of the units in the buildings enumerated. The questionnaire used for this enumeration is shown as Appendix B to this chapter.

After an initial enumeration period within a census tract, in which the buildings were selected for interview by the aforementioned method, the production was measured against the sample quota, and the enumerator was advised of the size and number of units yet to reach within the tract to achieve the quota. Customarily, this remainder involved the larger units, since the larger units are harder to locate. The buildings then selected for the quota fill-out within a tract were chosen on a random basis.

C. Questionnaire

The Questionnaire (Appendix C) was designed for punch-card coding and machine tabulation. Several items on the questionnaire merit special mention.

1. Physical Standardness

Following enumeration, the records of the City Health Department were checked for all buildings enumerated, to determine whether a Permit of Occupancy had been issued. If the building had a current Permit of Occupancy, it was judged to be physically standard; if such Permit had been denied it was judged to be sub-standard. If no record was found on a particular building, field inspection of the building was made by an enumerator trained by a Health Inspector to determine whether or

not the building was standard. Finally, the building was coded for standardness on item 18 of the questionnaire.

2. Dwelling Unit Data, Section B

Data were obtained on the characteristics of all dwellings within the building, showing separately for unfurnished and furnished units, and by number of bedrooms, contract rent frequency distribution for all units, units vacant at time of enumeration and the units vacated at any time within the preceding year. Also, for the vacant units, information was sought on how long the previous occupant lived in the unit; where obtainable, the answers were posted in Box C.

All units were described both by number of bedrooms and number of rooms, to facilitate translation of Census figures from "rooms" to "bedrooms".

3. Determination of Gross Rents

Customarily, less than all utilities are included in rent. To make rent comparisons possible, and to reflect total housing cost to the occupant, the cost of utilities not included in rent must be added to the "contract" rent to arrive at "gross" rent. Box D identifies the utilities included in contract rent. Box G shows whether the cooking fuel is gas or electricity, a significant distinction for determining added utility cost if cooking fuel is not included in rent.

The mechanical engineering firm of Yanow and Bauer provided utility cost estimates, by type and use of fuel, number of bedrooms, and type of structure. These estimates were then used, as appropriate to the facts shown on each

questionnaire, to determine the gross rents for all units in the building.

4. Acceptance of Children, Box F

In all cases, inquiry was made of the house policy on families with children.

5. Racial Policy

By State law, racial discrimination is prohibited in buildings containing over two units. Accordingly, the racial policy question was asked only in buildings of one and two units.

When the survey method was devised, attention was given to the possibility of inquiring as to racial discrimination practices even in those buildings where it is legally prohibited. After due deliberation, the idea was dropped, since a question that says, in effect, "Are you breaking the law?" would give the survey a law-enforcement posture and thus inhibit the elicitation of information from respondents. The results then, can only report on the extent to which discrimination is admitted by the respondents in buildings where discrimination may be legally exercised.

D. Survey Scope

Information in this section pertains to the numerical breadth of the rental survey.

1. Buildings

A total of 2,063 buildings was enumerated. The breakdown of these buildings by condition, age, and size is shown below :

<u>Table 1</u> <u>Enumerated Buildings</u>		<u>Number of Buildings</u> <u>Enumerated</u>
<u>Total</u> :		2,063
<u>Condition</u> :		
Standard		1,894
Sub-Standard		169
<u>Age</u>		
Over 12 months Old		2,042
Less than 1 year Old		21
<u>Size</u>		
No. of Dwelling Units in Building :		
	1	38
	2	759
	3	257
	4	262
	5 - 9	401
	10 - 14	155
	15 - 19	69
	20 - 24	51
	25 - 29	12
	30 - 34	11
	35 - 39	14
	40 - 44	13
	45 - 49	5
	50 - 54	3
	60 - 64	4
	65 - 69	5
	75 - 79	2
	80 - 84	1
	95 - 99	1

Less than ten percent of the buildings were lost on substandardness, and only 1 percent on being under one year old.

The distribution by number of units in building reflects, in part, the extent of enumerator outreach to achieve sampling quotas among units with greater number of bedrooms. Had the sample not been stratified

by number of rooms the quota requirement would have been met more quickly, with the larger buildings. The distribution indicates that 63.9% of the enumerated buildings contained less than five units.

2. Dwelling Units

The total number of dwelling units enumerated in the survey was 12,064, of which only 149 were in buildings less than 12 months old.

The 11,915 dwelling units in buildings that were at least one year old are classifiable by condition as follows :

Standard 10,553

Substandard 1,362

The 10,553 standard dwellings in the buildings that were at least one-year old at time of enumeration form the group which is meaningful for this survey. .

E. Coverage

In this section, the sample coverage will be discussed with respect to the 10,553 standard dwellings in buildings over 12 months old, classified by number of bedrooms as follows :

Table 2

<u>No. of Bedrooms</u>	<u>Rental Units</u>
Total :	10,553
0-BR (studios)	3,068
1-BR	4,071
2-BR	2,568
3-BR	726
4-BR	107
5-BR or more	13

It is estimated that the statistical universe at time of survey was 115,390 units. Accordingly, the sample coverage is estimated at 9.14%.

The build-up to an estimated universe of 115,390 units was, perforce, an exercise of assumptions, based on judgement and observation. It was essential to estimate the housing stock, by number of bedrooms, in order to project the sample results to the universe. These were the limitations in the data that had to be used for estimating the universe :

- . The basic data antedated the survey by six years.
- . The basic data, by block and Census tract, contained no distribution of standard rental units by number of bedrooms, but rather all units (including hotels, public housing, sub-standard units) by number of rooms.
- . Data on changes in the housing stock between Census and survey were available by Census tract, but not differentiated as to number of rooms, number of bedrooms, or tenure (owner units and rental units).

The gap of information on housing stock is noted in a recent report of the San Francisco Department of City Planning, with this observation : "The problem of estimating present and future housing need is complicated not only by a deficiency of up-to-date information, but also by a lack of a standardized method for procuring the information which is available."^{1/}

To construct the universe estimates, assumptions had to be made to fill the information gaps. This was not a simple task, and was subject to more unknown error than are estimations about the sample. The estimates have their roots in the 1960 Census of Housing, which provided certain statistics by tract, and certain gross counts by block. To be useful, the Census data had to be processed, to do the following :

^{1/} Page 13. "Minority Group Housing Problems", San Francisco Department of City Planning - February 1967.

- 1) Remove hotel rooms
- 2) Remove substandard units
- 3) Remove owner-occupied units and those
vacant for sale only.
- 4) Remove the luxury blocks
- 5) Convert room distribution to bedroom
distribution
- 6) Add new construction and delete demolition
since 1960.
- 7) Remove public housing.

The final product is a distribution of ^{the stock of} private standard rental units as of December 31, 1965, by number of bedrooms. The manifold points at which assumptions and judgment had to be used to make the required adjustments introduce error, degree unknown since there is nothing to check against. However, no consistent bias entered into the universe computations.

Since the universe estimates are based on judgment, it is not possible to make probability statements about the magnitude of errors in the estimates. Similarly, when sample proportions, about which some interval estimates are possible, are multiplied by estimates of housing stock in the universe, it is not possible to make probability statements about the magnitude of error in the products.

We are now ready to compare size of sample with estimated size of universe, as shown in the following table, by number of bedrooms :

Table 3

Comparison of Sample Size with Universe
Stock as of 31 December 1965

<u>Number of Bedrooms</u>	<u>Estimated Universe</u>	<u>Size of Sample</u>	<u>Sample Percent</u>
Total	115,390	10,553	9.15%
Zero	26,805	3,068	11.45
One	43,618	4,071	9.33
Two	31,028	2,568	8.28
Three	11,031	726	6.58
Four	2,608	107	4.10
Five or more	300	13	4.33

Notes pertaining to table :

1. Geographical area : 83 selected census tracts.
Luxury blocks excluded.
2. Dwellings are standard .
3. Estimated universe is as of 31 December, 1965.
4. Sample contains buildings at least 12 months old
at time of enumeration, in summer of 1966.

The decline in the sample coverage from the smaller to the larger units represents the progressive difficulty of locating the larger units for enumeration. Since the sampling ratio varies by number of bedrooms it is important to weigh sample results by the relative weights of each bedroom group in the universe. The weights to be used are given below, and reflect the proportionate distribution of the universe by number of bedrooms.

<u>Table 4</u>	
<u>No. of Bedrooms</u>	<u>Weight</u>
Zero	.232
One	.377
Two	.269
Three	.096
Four	.023
Five or more	<u>.003</u>
	1.000

F. Vacancies

This section contains a discussion of the findings of the survey on vacancies, both characteristics and volume.

The method of building selection is explained in Section B of this chapter, wherein it is pointed out that attention was first given to buildings with some outward sign of vacancies, since an important objective of the survey was to obtain reliable data on the rent, number of bedrooms and other features of available dwellings for rent at time of enumeration.

The extent to which buildings over 12 months old were selected for outward sign of vacancy is indicated in the following table, which also ranks buildings by number of units in building.

Table 5
Buildings Over 12 Months Old at Time of Enumeration
By Number of Units in Building, and Method of Selection

No. of Units in Building	Method of Selection		
	Total	Posted Sign	Random
Total	2,031	419	1,612
1	37	6	31
2	754	42	712
3	253	30	223
4	253	43	210
5 - 9	394	111	283
10 - 14	152	77	75
15 - 19	68	43	25
20 - 24	49	29	20
25 - 29	12	6	6
30 - 34	11	6	5
35 - 39	14	6	8
40 - 44	13	11	2
45 - 49	5	2	3
50 - 54	3	1	2
60 - 64	4	3	1
65 - 69	5	2	3
75 - 79	2	1	1
80 - 84	1	-	1
95 - 99	1	-	1

Among the buildings containing less than five units, 90.7% were selected at random; on the unit count in these buildings 89.4% were selected at random. Among the buildings containing over four units the random selection drops to 59.4%, and on a unit count within these buildings ^{1/} to 52.8%. For all buildings in the above group, random selection was 79.4%, and for all units 62.0%.

^{1/} The unit counts are estimated at the mid-points of the class intervals.

Since building selection reflected an orientation toward posted signs, one would suspect the sample to overstate vacancies in some respects; this is the price paid for accenting the assembly of data on vacant available units. The extent of overstatement will be explored by comparison with three other vacancy estimates made in the spring of 1966, sources of which are the Federal Housing Administration Field Market Analysis Service, a Postal Vacancy Survey, and a survey conducted by the Bay Area Council. A broad comparison of this survey with the others shows the following overall vacancy rate.

Table 6

<u>Source</u>	<u>Overall Vacancy Rate</u>
This survey	8.1%*
FHA	7.3
Postal Survey	3.0
Bay Area Council	5.6

* Confined to standard buildings over 12 months old at time of enumeration.

The FHA vacancy rate is a judgement estimate, and it appears in the report entitled "Analysis of the San Francisco, California Housing Market as of April 1, 1966" issued by the Federal Housing Administration in April 1967.

The Postal Survey was conducted on selected postal routes in March 1966. However, as indicated in the FHA report, postal vacancy surveys are known to underestimate vacancies; this was conclusively demonstrated in 1960, when a comparison was made between the Census vacancy findings as of April 1, 1960 and the postal vacancy findings as of July 1960. It was with this

discrepancy in mind that the FHA placed the April 1, 1966 vacancy estimate at 7.3%, in the face of the postal survey's March 1966 estimate of 3.0%

The Bay Area Council's vacancy study provides interesting comparative data on vacancies, although the data sources are quite different, as indicated by the following:

- 1) Enumeration restricted to buildings of four units or more. Surveyed 8.6% of such buildings, 945 out of 11,000.
- 2) 100% enumeration of all buildings one year or less in age, and all buildings of 50 units or more in size. Of the remaining structures, a 6.4% sample was drawn.

Recognizing the limitations of comparing vacancy rates by number of bedrooms from this study and the Bay Area Council study it is nevertheless instructive to do so. Comparison follows:

Table 7

No. of Bedrooms	Vacancy Rate	
	This Study	Bay Area Council Study
Total	8.06%	5.6%
Zero	7.37	5.7
One	8.03	5.7
Two	9.62	5.1
Three or more	6.03	8.4

Source: "Apartment House Vacancy Study San Francisco February 1966", Northern California Real Estate Report, First Quarter 1966. Article by Marybeth Branaman and Michael M. Thomas.

The difference in size of buildings was a significant variable between the two surveys. In this survey, for instance, over

70% of the vacancies in units with three or more bedrooms were in buildings of less than four units. Even among two-bedroom units, almost a fourth of the vacancies were in buildings with less than four units, and in these small buildings the two-bedroom vacancy rate was 9.1%. As demonstrated earlier, the smaller buildings were largely selected at random. Random selection among buildings containing less than four units applied to 92% of the units in this building-size group.

Difference in time of year should not be overlooked either. Reportedly, vacancy rates are higher in San Francisco during the summer months than during the winter. This has been due partly to the summer recess of institutions of higher learning. However, to the extent that such increase does exist during the summer months, this would be atypical of the year-round rate.

At this point, we can draw conclusions as to the probable vacancy rate, by number of bedrooms, in the universe of this study, which - repeat - is standard buildings over 12 months old at time of enumeration, in the tracts and sub-tracts covered by the survey. These conclusions will be on the conservative side, and will be stated in a range. The following table shows the vacancy estimates, both as vacancy rates and as the numbers of vacant units in the statistical universe.

Table 8Summary of Vacant Units in the Universe, Mid-1966

<u>Number of Bedrooms</u>	<u>Range in Vacancy Rate</u>		<u>Range in Vacant Units</u>	
	<u>Minimum</u>	<u>Maximum From Sample</u>	<u>Minimum</u>	<u>Maximum From Sample</u>
0	6.0	7.37	1,608	1,975
1	6.5	8.03	2,835	3,501
2	7.0	9.62	2,172	2,985
3 +	5.7	6.03	795	841
<hr/>				
Total :	6.4	8.06	7,410	9,302

The estimated distributions of vacant units in the universe by gross rent and number of bedrooms, are presented in Appendix D to this chapter.

G. Vacates Over Period of Time

The volume of vacates over a period of time is important because it measures the number of dwelling units that become available for occupancy during the same period. In this survey, vacate data were sought on all units in the enumerated buildings, and actually obtained for 8,884 units in standard buildings over 12 months old at time of interview.

If a dwelling unit was vacated more than once during the year preceding interview it was counted as only one vacate. This adjustment was made because if occupied by a relocated household, the unit would be spoken for, and theoretically at least, removed from further turnover.

In addition, for units vacant at time of interview information was sought on the actual length of occupancy of the immediately preceding tenants. This information, difficult to elicit, was obtained in 630 cases. Since this was a small sub-sample, the categories were

collapsed into four groups, units with zero bedroom and units with one-or-more bedrooms, and within each of these types the unfurnished and furnished units. The following table compares move-out activity within the sub-sample of 630 units and within the larger sample of 8,884 units.

Table 9

Number of Bedrooms	Percent of Units Vacated Within Year Preceding Enumeration	Percent of Occupants Who Lived in Units No More Than One Year
Zero Bedrooms		
Unfurnished	36%	73%
Furnished	51	84
One or More Bedrooms		
Unfurnished	31	63
Furnished	48	81
Size of Sample	8,884	630

The high percentages in the sub-sample of the preceding occupants who vacated their units after having lived there no longer than one year suggests that this sample is biased toward the higher turnover units. However, the disparity in move-out rate between the two samples is so wide as to support the conclusion that the vacate data in the basic sample is on the conservative side; this would be anticipated from the count of only one vacate for any unit which was vacated two or more times during the preceding year.

Since multiple vacates of individual units during the year represent multiple move-in choices, the vacate figures from the sample of 8,884 units introduces a downward bias.

In Section F of this chapter the over-sampling of vacant units is discussed. This would result in an overstatement of the volume of vacates, were it not for the offsetting bias introduced by counting multiple vacates as single vacates. Accordingly, it is concluded that the turnover estimates yielded by the basic sample, as shown in the following table, may be used for a reasonable projection of vacates during a one-year period.

Table 10

Vacates During a One-Year Period
By Number of Bedrooms and Furnishings

Number of Bedrooms	Total Units in Sample	Units Vacated During Preceding Year	
		Number	Pct. of Total
Zero Bedrm.			
Total	2,490	1,060	43%
Unfurnished	1,295	456	35
Furnished	1,195	604	51
One Bedrm.			
Total	3,436	1,274	37
Unfurnished	2,656	892	34
Furnished	780	382	49
Two Bedrm.			
Total	2,218	704	32
Unfurnished	2,079	645	31
Furnished	139	59	42
Three or More Bedrms.			
Total	740	183	25
Unfurnished	727	177	24
Furnished	13	6	46
Total :	8,884	3,221	36
Unfurnished	6,757	2,170	32
Furnished	2,127	1,051	49

In Appendix E to this chapter the vacate estimates are presented by monthly gross rent, in each bedroom and furnishings category.

H. Restrictions Against Children

The fall-off in units available to families with children is severe in the studio and one-bedroom apartments as indicated in the table on the following page. In round figures, only twenty percent of the studios are open to children, and only thirty percent of the one-bedroom units. Even among two-bedroom units over one-fourth are closed off to families with children.

Among the three-bedroom and four-bedroom units, eighty-eight percent of the units are available to families with children of any age. No restrictions against children were found in the units of five-or-more bedrooms.

Age-selectivity is found to some degree, as detailed on the following table. For instance, among the one-bedroom units where children are accepted, 12.4% will accept only children under three years of age.

I. Racial Discrimination

Findings on racial discrimination must be qualified, as per the discussion in Section C of this chapter. To repeat, the actual, albeit illegal, discrimination in buildings containing more than two units is not reported. The only discrimination reportable pertains to those buildings where discrimination can be legally exercised, and this is confined to buildings of one or two units.

Table 11
Policy Regarding Acceptance of Children, By Number of Bedrooms
Dwelling Units in Standard Buildings Over Twelve Months Old

Acceptance of Children	Number of Bedrooms					
	Zero	One	Two	Three	Four	Five or More
No Children Accepted	79.1%	60.5%	26.8%	6.5%	2.8%	- %
Any Age Children Accepted	12.3	28.6	62.8	88.0	87.9	100.0
Only Some Ages Accepted :						
Total :	7.9	10.2	8.5	4.5	9.3	-
Under 3	2.8	4.8	1.0	.3	-	-
Under 5	1.0	1.1	1.3	1.0	8.4	-
Over 10	-	.5	1.4	.1	-	-
Over 12	.2	.8	2.4	1.9	-	-
Over 14	1.5	1.4	.4	.6	-	-
Over 16	1.2	.1	.2	-	-	-
Other Age Restrictions	1.2	1.5	1.8	.6	.9	-
No Report	.7	.7	1.9	1.0	-	-
Total :	100.0	100.0	100.0	100.0	100.0	100.0

Given these limitations, the survey found that reported legal discrimination will not cause a significant reduction in the number of units available to non-white households. Discrimination is legal in 41% of the standard buildings enumerated in the survey; discrimination was reported in only 26.6% of these small buildings, which would be 10.9% of all buildings surveyed. In terms of units, however, the percentages are much smaller. On unit count, rather than building count, racial discrimination is reported in only 3.13% of the rental units in the enumerated buildings that were over 12 months old at enumeration time.

It is also reportworthy that non-response was high on the racial discrimination question. One-fourth of the buildings where the question was put show a "no report" on this item, much of which was unavoidable because the respondent was a tenant, ignorant of the owner's racial policy.

The following table shows the pattern of response to the question on racial discrimination.

<u>Reported Racial Policy Among Renter Units^{1/}</u> <u>in Buildings Containing Less than Three Units</u>		
<u>Reported Racial Policy</u>		<u>Percent of Units</u>
Total :		100.0%
No Discrimination		48.2
Type of Discrimination : Total		26.6
Negroes Only	13.0	
Negroes and Orientals Only	4.1	
Negroes and Latin-Americans Only	2.1	
Negroes, Orientals and Latin-Americans	7.0	
Other	0.4	
Not Reported		25.2

^{1/} Sample covered 1,119 renter units. Some two-unit buildings contain owner-occupants.

Negro households were the target of virtually all reported discrimination, either as the only ethnic group discriminated against, or one of the ethnic groups discriminated against.

The following table provides a perspective of reported racial discrimination in relation to the entire surveyed sample of 10,553 renter units in standard buildings over 12 months old.

Table 13

Reported Racial Policy Among Renter Units in
Standard Buildings Over 12 months Old

Reported Racial Policy	Dwelling Units	
	In Sample	As Pct. of Sample
Total :	1,153	10.93%
No Discrimination	541	5.13
Type of Discrimination : Total	330	3.13
Negroes Only	144	1.37
Negroes and Orientals Only	46	0.44
Negroes and Latin-Americans Only	23	0.22
Negroes, Latin-Americans and Orientals	70	0.66
Other	46	0.44
Not Reported	282	2.67

Thus, at face value, racial discrimination is reported in only 3.13% of the units in the basic sample.

J. ~~Sample Reliability~~

J. Sample Reliability

As described in Section B, the sample was stratified by the number of bedrooms in each dwelling unit. In this discussion of sampling error, it is assumed that there are no other deviations from the simple random structure. To put it another way, the estimates of sampling error which follow/^{measure}only the error inherent in interviewing just a sample, and not every building manager in the universe.

The explanation presented earlier in this report, on the subject of possible sample bias, will not be repeated here. If there is some bias at work on a particular statistic, the sampling error is not a measure of the extent of that bias. Any error caused by bias is in addition to sampling error.

It should be re-emphasized that because of information gaps, the build-up of the housing stock universe was subject to error, of unknown degree. Therefore, sampling error should be measured only on sample proportions, such as the proportion of vacant units in a particular rent class or the proportions shown in Tables 11 and 12.

The sampling error in this sample is a function of four factors : the proportion the sample is to the universe in each bedroom stratum (k_i), the proportion the universe size in each bedroom stratum is to the total universe size (w_i), the sample size in each stratum (n_i), and the proportion of the units in each stratum possessing the characteristic being studied (p_i).

To calculate an interval estimate for the entire universe at, for example, the 95% level of confidence would require solving the following equation:

True Proportion =

$$\left(\sum_{i=1}^6 w_i p_i \right) + 1.96 \left(\sum_{i=1}^6 \left[(1-k_i)^2 w_i^2 \frac{p_i (1-p_i)}{n_i} \right] \right)^{1/2}$$

where both sums are over the six bedroom strata. Values of k_i , w_i and n_i are all given in the tables on page 10.

However, the reader will seldom be interested in a statistic for the entire universe. The entire goal of this study is to obtain data by bedroom and rent groups in order to match detailed resources with detailed needs.

When working with a single stratum, the sampling error is not great and can be calculated with the use of the short table below. At the 95% level of confidence, true percentages will not be farther from the sample statistics than the amounts shown in this table. In most cases the sampling error will be even less.

TABLE 22

Maximum Sampling Error with
Subsamples of Different Sizes, (e)

True $p' = \text{Sample } p \pm e$
(per cent)

<u>Sample Size</u>	<u>e</u>
13	27.2%
107	9.5
726	3.3
2,568	1.8
3,068	1.6
4,071	1.4
10,553	.9

As an example of how to read this table, the 95% confidence estimate of the percentage of one bedroom units in which no children are permitted (Table 11) is 60.5% \pm 1.6% or 58.9% to 62.1%.

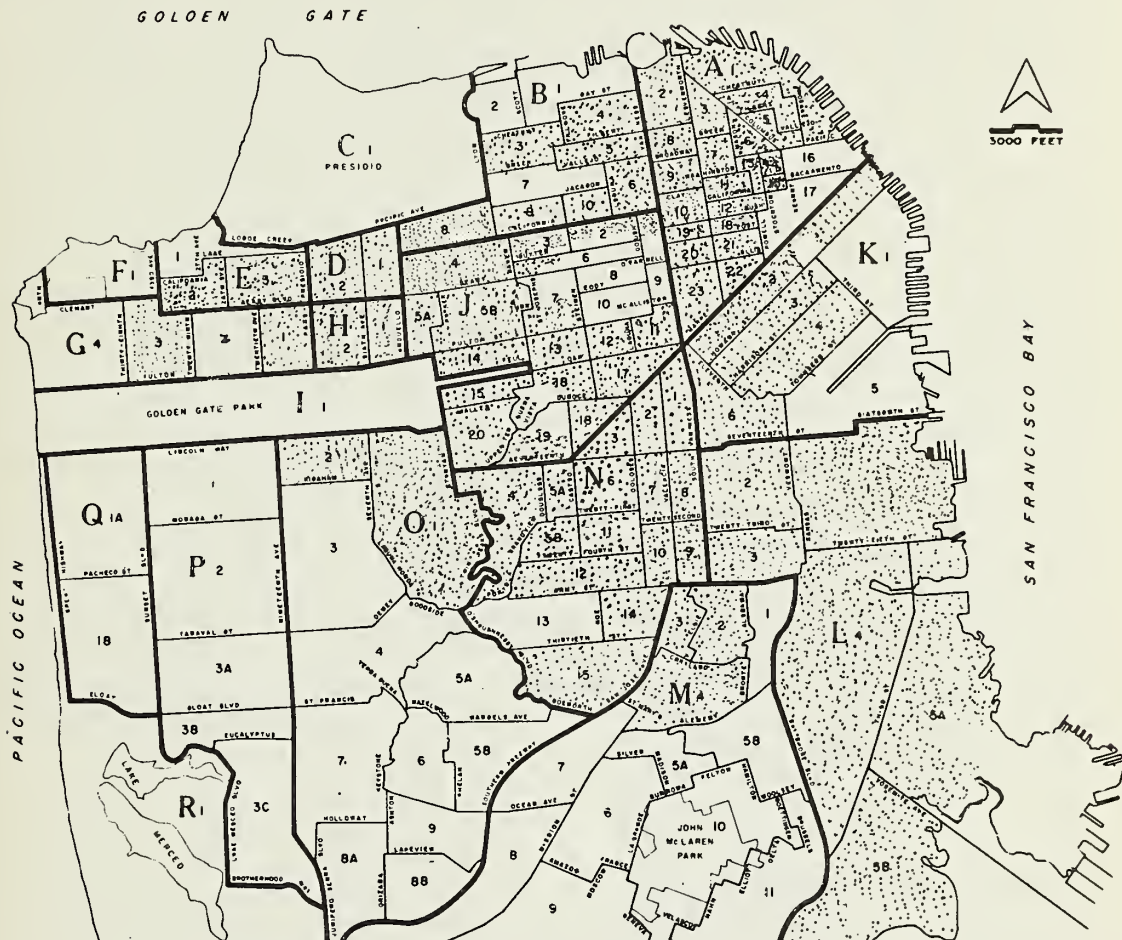
Chapter IVAppendix AListing of 83 Census Tracts Covered
in Survey

A - 1	B - 3	J - 1	K - 2	N - 1
2	4	2	3	2
3	5	3	4	3
4	6	4	6	4
5	8	5 A		5 A
6	9	5 B	L - 1	5 B
7	10	6	2	6
8		7	3	7
9	D - 1	11	4	8
10	2	12	5 A	9
11		13	5 B	10
12	E - 2	14		11
13	3	15	M - 2	12
15		16	3	14
18	G - 1	17	4	15
19	3	18		
20		19		O - 1
21	H - 1	20		2
22	2			
23				

Chapter IV.

Appendix B

1960 CENSUS AREAS AND TRACTS : Dotted tracts were enumerated



SAN FRANCISCO HOUSING RESOURCES SURVEY - 1966

Rental Dwelling Units

A Address _____ Total Units

11	12	13
----	----	----

Age of Building 14: Under 1 year (1) Over 12 months (2)

Origin 15: Ad (1) Sign (2) Agent (3) Enum. Sel. (4) Other (5)

[illegible][illegible]

D	Rent INCLUDES
1.	Water: Cold <input checked="" type="radio"/> Hot <input checked="" type="radio"/>
2.	Coaking fuel <input checked="" type="radio"/>
3.	Space heating <input checked="" type="radio"/>
4.	Lighting <input checked="" type="radio"/>
5.	Refrig. Energy <input checked="" type="radio"/>
6.	Refuse removal <input checked="" type="radio"/>
7.	Range <input checked="" type="radio"/>
8.	Refrigeratar <input checked="" type="radio"/>

E	Rent INCRS. far ma.-to-ma.		
BR			
\$			

F CHILDREN 16: 0

1. Name 2. Any age

3. Only same ages

Which?

G COOK with
1. Gas ☐ 2. Electricity ☐

H	RACE (1-2 units)
1.	White (Y) (N)
2.	Negra (Y) (N)
3.	Oriental (Y) (N)
4.	Lat.-Amer. (Y) (N)
17: ()	

I	REMARKS

J	Add for Utilities	BR \$	BR \$	BR \$
---	-------------------	-------	-------	-------

K	18:	(0)	(1)	(2)	(3)	(4)	(5)	19:	(0)	(1)	(2)	(3)	(4)	
Na. of Bedrms.														
or End	20		30				40		50		60		70	80
Furnished	21		31				41		51		61		71	81
Grass Rent	22-23		32-33				42-43		52-53		62-63		72-73	82-83
Tat. Units	24-25		34-35				44-45		54-55		64-65		74-75	84-85
Units Vacant	26-27		36-37				46-47		56-57		66-67		76-77	86-87
1-Yr. Turnover	28-29		38-39				48-49		58-59		68-69		78-79	88-89
End if Needed	90:	(9)	Use reverse side (0)											

CONTINUATION SHEET

☒ X
1

NUMBER

7	8	9
---	---	---

INTERVIEWER

10

B DWELLING UNITS													All Units Have: Private Both <input checked="" type="checkbox"/> <input type="checkbox"/> Private Kitchen <input checked="" type="checkbox"/> <input type="checkbox"/>												
BR (Rms.)					BR (Rms.)					BR (Rms.)															
Rent	Tot. Units	Vacant		1-Yr. T/O	Rent	Tot. Units	Vacant		1-Yr. T/O	Rent	Tot. Units	Vacant		1-Yr. T/O											
		No.	Identfn.				No.	Identfn.				No.	Identfn.												
- UNFURNISHED -																									
- FURNISHED -																									

C LENGTH OF PRECEDING OCCUPANCY IN VACANT UNITS			
Identfn.	Months	Identfn.	Months

I REMARKS

K	18:	(0)	(1)	(2)	(3)	(4)	(5)	19:	(0)	(1)	(2)	(3)	(4)															
No. of Bedrms.																												
or End	20	<table border="1"><tr><td></td><td></td></tr></table>			30	<table border="1"><tr><td></td><td></td></tr></table>			40	<table border="1"><tr><td></td><td></td></tr></table>			50	<table border="1"><tr><td></td><td></td></tr></table>			60	<table border="1"><tr><td></td><td></td></tr></table>			70	<table border="1"><tr><td></td><td></td></tr></table>			80	<table border="1"><tr><td></td><td></td></tr></table>		
Furnished	21	<table border="1"><tr><td></td><td></td></tr></table>			31	<table border="1"><tr><td></td><td></td></tr></table>			41	<table border="1"><tr><td></td><td></td></tr></table>			51	<table border="1"><tr><td></td><td></td></tr></table>			61	<table border="1"><tr><td></td><td></td></tr></table>			71	<table border="1"><tr><td></td><td></td></tr></table>			81	<table border="1"><tr><td></td><td></td></tr></table>		
Gross Rent	22-23	<table border="1"><tr><td></td><td></td></tr></table>			32-33	<table border="1"><tr><td></td><td></td></tr></table>			42-43	<table border="1"><tr><td></td><td></td></tr></table>			52-53	<table border="1"><tr><td></td><td></td></tr></table>			62-63	<table border="1"><tr><td></td><td></td></tr></table>			72-73	<table border="1"><tr><td></td><td></td></tr></table>			82-83	<table border="1"><tr><td></td><td></td></tr></table>		
Tot. Units	24-25	<table border="1"><tr><td></td><td></td></tr></table>			34-35	<table border="1"><tr><td></td><td></td></tr></table>			44-45	<table border="1"><tr><td></td><td></td></tr></table>			54-55	<table border="1"><tr><td></td><td></td></tr></table>			64-65	<table border="1"><tr><td></td><td></td></tr></table>			74-75	<table border="1"><tr><td></td><td></td></tr></table>			84-85	<table border="1"><tr><td></td><td></td></tr></table>		
Units Vacant	26-27	<table border="1"><tr><td></td><td></td></tr></table>			36-37	<table border="1"><tr><td></td><td></td></tr></table>			46-47	<table border="1"><tr><td></td><td></td></tr></table>			56-57	<table border="1"><tr><td></td><td></td></tr></table>			66-67	<table border="1"><tr><td></td><td></td></tr></table>			76-77	<table border="1"><tr><td></td><td></td></tr></table>			86-87	<table border="1"><tr><td></td><td></td></tr></table>		
1-Yr. Turnover	28-29	<table border="1"><tr><td></td><td></td></tr></table>			38-39	<table border="1"><tr><td></td><td></td></tr></table>			48-49	<table border="1"><tr><td></td><td></td></tr></table>			58-59	<table border="1"><tr><td></td><td></td></tr></table>			68-69	<table border="1"><tr><td></td><td></td></tr></table>			78-79	<table border="1"><tr><td></td><td></td></tr></table>			88-89	<table border="1"><tr><td></td><td></td></tr></table>		
End if Needed	90:	(9)	Use reverse side (0)																									

Appendix DTable 1

Estimated Range in the Number of Vacant Standard Studio Units,

By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total	Unfurnished	Furnished
Total	1,608 - 1,975	574 - 718	1,034 - 1,257
Under \$40	0 - 0	0 - 0	0 - 0
\$40 - 49	29 - 35	0 - 0	29 - 35
50 - 59	93 - 113	21 - 26	72 - 87
60 - 69	205 - 253	90 - 113	115 - 140
70 - 79	318 - 391	109 - 137	209 - 254
80 - 89	390 - 480	189 - 236	201 - 244
90 - 99	339 - 416	88 - 110	251 - 306
100 - 109	71 - 87	21 - 26	50 - 61
110 - 119	107 - 131	28 - 35	79 - 96
120 - 129	35 - 43	21 - 26	14 - 17
130 - 139	14 - 17	0 - 0	14 - 17
140 - 149	0 - 0	0 - 0	0 - 0
150 - 159	0 - 0	0 - 0	0 - 0
160 - 169	7 - 9	7 - 9	0 - 0
170 & Over	0 - 0	0 - 0	0 - 0
Sample Size	3,019	1,528	1,491

Appendix DTable 2

Estimated Range in the Number of Vacant Standard One-Bedroom Units,
By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total	Unfurnished	Furnished
Total	2,835 - 3,501	2,030 - 2,506	805 - 995
Under \$50	0 - 0	0 - 0	0 - 0
\$50 - 59	24 - 31	24 - 31	0 - 0
60 - 69	59 - 74	42 - 53	17 - 21
70 - 79	331 - 407	279 - 343	52 - 64
80 - 89	358 - 440	288 - 354	70 - 86
90 - 99	339 - 418	236 - 290	103 - 128
100 - 109	217 - 268	173 - 214	44 - 54
110 - 119	296 - 365	226 - 279	70 - 86
120 - 129	277 - 344	182 - 226	95 - 118
130 - 139	354 - 438	217 - 267	137 - 171
140 - 149	287 - 353	183 - 225	104 - 128
150 - 159	129 - 160	77 - 96	52 - 64
160 - 169	96 - 118	61 - 75	35 - 43
170 - 179	9 - 11	0 - 0	9 - 11
180 - 189	43 - 53	26 - 32	17 - 21
190 and over	16 - 21	16 - 21	0 - 0
Sample Size :	4,071	3,103	968

Appendix D

Table 3

Estimated Range in the Number of Vacant Standard Two-Bedroom Units

By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total	Unfurnished	Furnished
Total	2,172 - 2,985	1,872 - 2,576	300 - 409
Under \$60	0 -	0 -	0 -
\$60 - 69	9 -	9 -	0 -
70 - 79	26 -	26 -	0 -
80 - 89	150 -	132 -	18 -
90 - 99	273 0	264 -	9 -
100 - 109	335 -	335 -	0 -
110 - 119	166 -	140 -	26 -
120 - 129	167 -	167 -	0 -
130 - 139	184 -	149 -	35 -
140 - 149	175 -	140 -	35 -
150 - 159	211 -	185 -	26 -
160 - 169	114 -	79 -	35 -
170 - 179	97 -	79 -	18 -
180 - 189	123 -	105 -	18 -
190 and over	142 -	62 -	80 -
Sample Size	2,568	2,337	231

Appendix DTable 4Estimated Range in Number of Vacant Standard Three-Bedroom UnitsBy Monthly Gross Rent

<u>Monthly</u>		<u>Unfurnished</u>	
<u>Gross Rent</u>			
Total :		639 - 676	
Under \$90		0 - 0	
\$90 - 99		14 - 15	
100 - 109		43 - 46	
110 - 119		14 - 15	
120 - 129		58 - 61	
130 - 139		117 - 124	
140 - 149		101 - 107	
150 - 159		57 - 60	
160 - 169		163 - 171	
170 - 179		29 - 31	
180 - 189		14 - 15	
190 and over		29 - 31	
Sample Size		715	

No vacant furnished three-bedroom units were found in a sample of eleven units.

Appendix D

Table 5

Estimated Range in the Number of Vacant Standard Four-Bedroom Units

By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total	Unfurnished	Furnished
Total	113 - 120	68 - 72	45 - 48
Under \$130	0 - 0	0 - 0	0 - 0
\$130 - 139	45 - 48	45 - 48	0 - 0
140 - 149	0 - 0	0 - 0	0 - 0
150 - 159	0 - 0	0 - 0	0 - 0
160 - 169	0 - 0	0 - 0	0 - 0
170 - 179	0 - 0	0 - 0	0 - 0
180 - 189	0 - 0	0 - 0	0 - 0
190 and over	68 - 72	23 - 24	45 - 48
Sample Size	107	105	2

Appendix DTable 6Estimated Range in Number of Vacant Standard Five-Plus Bedroom UnitsBy Monthly Gross Rent

<u>Monthly Gross Rent</u>	<u>Unfurnished</u>
Total	43 - 46
Under \$110	0 - 0
\$110 - 119	43 - 46
120 & over	0 - 0
Sample Size	11

No vacant furnished five-or-more bedroom units were found in a sample of 2 units.

Appendix E

Table 1

Estimated Vacates Over A One-Year Period Among Zero Bedroom Units,

By Monthly Gross Rent and Furnishings

Monthly Gross Rents	Total	Unfurnished	Furnished
Total	11,339	4,753	6,586
Under \$40	0	0	0
\$40 - 49	61	0	61
50 - 59	277	72	205
60 - 69	1,094	405	689
70 - 79	2,731	1,242	1,489
80 - 89	2,416	1,278	1,138
90 - 99	2,592	1,094	1,498
100 - 109	1,164	307	857
110 - 119	595	129	466
120 - 129	289	175	114
130 - 139	69	0	69
140 - 149	26	26	0
150 - 159	0	0	0
160 - 169	17	17	0
170 - 179	8	8	0
180 & over	0	0	0
Sample Size	2,490	1,295	1,195

Appendix E

IV.

Table 2

Estimated Vacates Over a One-Year Period Among One Bedroom Units

By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total Units	Unfurnished Units	Furnished Units
Total :	16,221	11,157	5,064
Under \$40	11	11	0
\$40 - 49	0	0	0
50 - 59	112	69	43
60 - 69	494	379	115
70 - 79	913	753	160
80 - 89	2,220	1,531	689
90 - 99	2,529	1,655	874
100 - 109	1,976	1,410	566
110 - 119	2,048	1,471	577
120 - 129	1,772	1,134	638
130 - 139	1,553	1,062	491
140 - 149	1,378	971	407
150 - 159	633	406	227
160 - 169	334	133	201
170 - 179	21	21	0
180 - 189	140	64	76
190 & over	87	87	0
Sample Size	3,436	2,656	780

- 35 -
45

Appendix ETable 3Estimated Vacates Over A One-Year Period Among Two Bedroom Units,By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total Units	Unfurnished Units	Furnished Units
Total	9,744	8,683	1,061
Under \$60	0	0	0
\$60 - 69	23	23	0
70 - 79	230	230	0
80 - 89	657	609	48
90 - 99	1,213	1,165	48
100 - 109	1,530	1,488	42
110 - 119	990	882	108
120 - 129	801	778	23
130 - 139	980	740	240
140 - 149	860	777	83
150 - 159	786	672	114
160 - 169	463	415	48
170 - 179	345	345	0
180 - 189	477	375	102
190 and over	389	184	205
Sample Size	2,218	2,079	139

Appendix E

Table 4

IV.

Estimated Vacates Over A One-Year Period Among Three Bedroom Units,

By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total Units	Unfurnished Units	Furnished Units
Total	2,765	2,705	60
Under \$70	0	0	0
\$70 - 79	15	15	0
80 - 89	0	0	0
90 - 99	22	22	0
100 - 109	182	182	0
110 - 119	287	287	0
120 - 129	456	456	0
130 - 139	499	499	0
140 - 149	502	487	15
150 - 159	205	205	0
160 - 169	264	234	30
170 - 179	95	95	0
180 - 189	112	112	0
190 & over	126	111	15

- 37 -
38 -

Sample Size 638 629 9

Appendix E

Table 5

Estimated Vacates Over A One-Year Period Among Four Bedroom Units,
By Monthly Gross Rent and Furnishings

Monthly Gross Rent	Total Units	Unfurnished Units	Furnished Units
Total	400	351	49
Under \$80	0	0	0
\$80 - 89	24	24	0
90 - 99	0	0	0
100 - 109	0	0	0
110 - 119	49	49	0
120 - 129	24	24	0
130 - 139	127	127	0
140 - 149	0	0	0
150 - 159	54	54	0
160 - 169	0	0	0
170 - 179	0	0	0
180 - 189	0	0	0
190 and over	122	73	49

Sample Size 91 89 2

Appendix ETable 6

Estimated Vacates Over a One-Year Period Among Unfurnished
Units of Five-or-More Bedrooms, By Monthly Gross Rent

Monthly Gross Rent	Unfurnished	Furnished
Total	145	0
Under \$110	0	
\$110 - 119	115	
120 - 129	0	
130 - 139	0	
140 - 149	30	
150 & over	0	
Sample Size	9	2

Chapter V

Single Family Homes For Sale

This chapter contains a report of the study of single family homes for sale. The purpose of this inquiry was to determine the volume of lower-priced, standard houses, and their availability for purchase by non-white buyers.

In the summer of 1966, only a small number of lower-priced houses for sale was not offered through the Multiple Listing Services (MLS). Mortgage money was tight, so the broader exposure provided by the MLS prompted most sellers to place their homes on the MLS. This was confirmed by realtors who sold lower-priced homes.

In the years 1964 and 1965, 19.6% of the homes sold through the MLS, sold for less than \$20,000. A breakdown of this volume by number of bedrooms is shown in the following table:

Table 1

Homes Sold Through Multiple Listing Service
1964 - 1965

<u>Number of Bedrooms</u>	<u>Total Sold</u>	<u>Under \$20,000</u>	
		<u>Number</u>	<u>% of Total</u>
Total	5,578	1,093	19.6%
1-BR	148	117	79.6
2-BR	2,675	629	23.5
3-BR	2,133	273	12.8
4-BR	516	62	12.0
5 or more BR	107	12	11.2

Table 4 attached contains further detail on the selling price of homes sold during 1964-65 through MLS. Similar data are presented in tables 5 and 6 for the homes disposed of through MLS for the quarters ending March 31, 1966 and June 30, 1966 respectively. Table 7 summarizes

the July 8, 1966 listings. The progressive reduction in the percentage of houses selling for less than \$20,000 is shown in the following table :

Table 2

Percent of Housing Selling for Less Than \$20,000

Disposition, 1964 and 1965	19.6%
Disposition, Quarter Ending 3-31-66	14.2
Disposition, Quarter Ending 6-30-66	12.1
Listing, 7-8-66	11.2

Field-work was performed to determine standardness of the lower-priced homes and availability to minority purchasers. The homes that formed the base for this field-work were the 146 shown on the multiple listing for August 30, 1966. The inspection results on these 146 are summarized in the following table :

Table 3

Standardness of Homes Offered For Sale Under \$20,000

On Multiple Listing Dated August 30, 1966

<u>Standardness</u>	<u>Total</u>	<u>Sales Price</u>	
		<u>Under \$15,000</u>	<u>\$15,000-19,999</u>
Total	146	31	115
Standard	128	18	110
Substandard	18	13	5

Most houses offered at less than \$20,000 were located in the L,M and O Census areas, which cover a swath of the southern portion of the city, as shown by the Census tract map (Chapter IV. Appendix B).

Inquiry was made of owners and realtors for information on the availability of the 128 standard homes selling under \$20,000 to nonwhite buyers. The responses indicated that 106 of the 123 were salable to members of any race. For the other 22 homes, information on availability to nonwhite purchasers could not be elicited, since the houses were not owner-occupied, and the agent was ignorant of the seller's policy on the question.

Racial policy was also surveyed among houses selling for \$20,000 and over. A 10% random sample was selected of houses offered at \$20,000 and over on the August 30, 1966 MLS. Information was obtained by phone for 191 of the 227 houses selected for this sample; the balance were sold or withdrawn, or the owner was unavailable for checking. Among the 191 for which information could be elicited, 188 were for sale to members of any race and 3 were available to white purchasers only.

The reliability of response on the subject of availability to nonwhite purchasers is not known.

Table 4

Summary of Mastifile Disposition Report

1964-65, Inclusive.

v.

Dwellings by Number of Bedrooms											
Selling Price	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR	8-BR	10-BR.	N.R. BRS	Total
Under \$10,000	11	8	4	2	2	0	0	0	0	1	28
\$10,000-\$11,999	12	18	13	1	0	0	0	0	0	1	45
\$12,000-\$13,999	32	64	11	5	0	1	0	0	0	2	115
\$14,000-\$15,999	30	107	28	12	0	0	0	0	0	7	184
\$16,000-\$17,999	16	151	92	18	4	0	0	0	0	8	289
\$18,000-\$19,999	16	281	135	24	5	0	0	0	0	10	471
\$20,000-\$21,999	11	353	177	35	4	0	0	0	0	14	594
\$22,000-\$23,999	12	408	252	45	2	0	0	2	0	22	743
\$24,000-\$25,999	3	364	250	38	6	0	0	0	0	12	673
\$26,000-\$27,999	2	340	256	44	5	1	1	0	0	23	672
\$28,000-\$29,999	2	236	231	43	8	2	0	1	0	19	542
\$30,000-\$31,999	0	148	142	30	5	2	0	0	0	6	333
\$32,000-\$33,999	0	95	148	46	6	2	0	0	1	10	308
\$34,000 & over	0	102	394	173	27	9	9	2	0	30	746
Traded, no report on price	1	17	34	15	0	1	1	0	0	2	71
Total	148	2692	2167	531	74	18	11	5	1	167	5814

1 4 1

Table 5

Summary of Disposition Report

For Quarter Ending March 31, 1966

v.

Selling Price	Dwellings by Number of Bedrooms								No. B RS.	
	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR	8-BR	N.R.	Total
Under \$10,000	0	2	0	0	0	0	0	0	0	2
\$10,000-11,999	0	3	1	0	0	0	0	0	0	4
\$12,000-13,999	0	6	1	2	0	0	0	0	0	9
\$14,000-15,999	3	11	5	1	1	0	0	0	1	22
\$16,000-17,999	2	14	2	1	0	0	0	0	0	19
\$18,000-19,999	0	23	11	4	1	0	0	0	0	39
\$20,000-21,999	5	33	15	2	0	0	0	0	1	56
\$22,000-23,999	0	42	27	2	0	1	0	0	1	73
\$24,000-25,999	1	33	27	6	3	0	0	0	1	71
\$26,000-27,999	1	36	17	3	0	0	0	0	0	57
\$28,000-29,999	0	38	27	7	1	0	0	0	3	76
\$30,000-31,999	0	36	27	9	0	0	0	0	2	74
\$32,000-33,999	0	13	20	2	0	3	0	0	0	38
\$34,000 & over	0	22	69	28	6	1	0	0	3	129
Traded, no price given	0	2	4	1	0	0	0	0	1	8
TOTALS	12	314	253	68	12	5	0	0	13	677

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Table 6

Summary of Disposition Report

For Quarter Ending June 30, 1966

v.

Selling Price	Dwellings by Number of Bedrooms								No. BRS. N. R.	Total
	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR	8-BR		
Under \$10,000	0	1	0	0	0	0	0	0	0	1
\$10,000-11,999	2	1	0	0	0	0	0	0	0	3
\$12,000-13,999	2	2	1	0	0	0	0	0	0	5
\$14,000-15,999	2	3	2	1	0	0	0	0	0	8
\$16,000-17,999	0	12	5	2	0	0	0	0	1	20
\$18,000-19,999	1	12	5	0	0	0	0	0	3	21
\$20,000-21,999	2	20	27	1	1	0	0	0	1	52
\$22,000-23,999	0	28	21	1	0	0	0	0	2	52
\$24,000-25,999	0	29	25	5	1	0	0	0	3	63
\$26,000-27,999	0	33	20	4	0	0	0	0	2	59
\$28,000-29,999	0	22	17	3	1	0	0	0	2	45
\$30,000-31,999	0	13	19	5	0	0	0	0	1	38
\$32,000-33,999	0	15	14	5	0	0	0	0	0	34
\$34,000-over	0	13	42	10	6	3	1	0	4	79
Traded, no price given	0	2	1	1	1	0	0	0	0	5
Totals	9	206	199	38	10	3	1	0	19	485

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Table 7

Summary of House Listings

(Mastifile on July 8, 1966)

Selling Price	Dwellings by Number of Bedrooms							No. BRS. N. R.	Total
	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR	8-BR	
Under \$10,000	2	0	0	0	0	0	0	0	2
\$10,000-11,999	0	1	2	0	0	0	0	0	3
\$12,000-13,999	2	7	1	0	0	0	0	0	10
\$14,000-15,999	4	14	0	1	0	0	0	0	19
\$16,000-17,999	7	33	8	0	0	0	0	0	48
\$18,000-19,999	3	35	15	6	1	0	0	0	60
\$20,000-21,999	2	48	26	2	1	0	0	0	79
\$22,000-23,999	2	71	39	13	0	0	0	1	126
\$24,000-25,999	0	63	58	13	1	0	0	0	135
\$26,000-27,999	1	63	52	8	2	1	0	0	127
\$28,000-29,999	1	82	60	9	0	1	0	0	153
\$30,000-31,999	1	31	33	8	3	1	0	0	77
\$32,000-33,999	1	33	51	7	3	0	0	0	95
\$34,000 & over	1	75	150	83	18	5	2	3	337
Traded, no price given*	(4)	(44)	(50)	(22)	(8)	(1)	(0)	(0)	(129)
TOTALS	27	556	495	150	29	8	2	4	1271

* has been added in above, is not added in again.

Chapter VI

Federally-Assisted Housing for Low-Income Families

A. Introduction

Federal subsidies provide an important inventory of housing for low-income families, by bridging the gap between the economic rents and the rents that the occupant families can afford. In San Francisco there are two subsidized programs in operation for low-income families, the public low-rent housing program and the private leasing program. Both of these are administered by the Housing Authority of the City and County of San Francisco, hereinafter referred to as the LHA, for Local Housing Authority.

In the public housing sector, the LHA owns and operates the housing projects. In the private leasing program, also known as the "Sec. 23 Program", the LHA subsidizes the rent of low-income households residing in privately-owned housing. Under either program :

- . Rent is adjusted to family size and income
- . Only those families whose incomes are below a stipulated maximum are eligible to receive the financial assistance. If family income rises above specified limits for continued occupancy, the family is subject to removal in the case of public housing, and to loss of subsidy in the case of the leasing program.

Particular utilization of federally-assisted housing is obtainable for relocation purposes through two devices : an admission priority for households displaced by public action -- such as urban renewal, code enforcement, highway construction -- and higher admission income limits for displaced households than for non-displaced households.

On the latter point, for instance, the admission income limit for a four-person displaced family is \$6,300, which is \$1,400 higher than the admission limit for a four-person family not displaced by public action.

The current income limits for displaced families of different sizes are shown below. These income limits are the same for admission and continued occupancy, and apply both to public housing and the Sec. 23 private leasing program.

Table 1

Number of Persons in Family	Income Limits	
	Annual	Monthly
1	\$4,500	\$ 375
2	5,100	425
3	5,700	475
4	6,300	525
5	6,900	575
6	7,500	625
7	8,100	675
8 or more	8,700	725

These are net income figures, after deductions for Social Security, Unemployment Insurance, unusual job expenses, union dues, etc., but before income tax withholding.

Minimum gross rents (including utilities) are charged in federally-subsidized housing, with substantial differences between public housing and the Sec. 23 program as the following figures indicate.

Table 2

<u>Number of Bedrooms</u>	<u>Minimum Gross Rents</u>	
	<u>Public Hsg.</u>	<u>Private Leased Hsg.</u>
Studios	\$ 39	\$ 55
1 Bedroom	40	65
2 Bedrooms	41	75
3 Bedrooms	41	85
4 Bedrooms	41	95
5 Bedrooms	41	-

The higher schedule of minimum rents in effect for private leased housing constricts the span of incomes that can be served, as shown in the following example for a five-person family :

Table 3

A Five-Person Family With Three Children
Needing Three Bedrooms

	<u>Private Leased Housing</u>
Maximum Income	\$ 6,900
Minimum Gross Rent	85
Income Appropriate to Minimum Rent, Per LHA Standards	<u>5,062</u>
Income Span Served	\$ 1,838

B. Scope of Public Housing Program

In San Francisco, there are 21 permanent public housing projects in operation, comprising 5,626 units. Another project of 110 units is nearing completion, and six more projects, comprising 669 units, are far enough into planning to show estimated completion dates. In addition, the LHA has voter authority to develop another 2,013 units to fill out the 2,500 unit program authorized by San Francisco voters in the 1964 referendum. The breakdown looks like this :

Table 4
Permanent Public Housing Dwelling Units

Status	Number of Bedrooms						
	Total	0	1	2	3	4	5
In Operation	5,626	266	1,179	2,672	1,174	295	40
Elderly	561	266	292	3	-	-	-
Non-Elderly	5,065	-	887	2,669	1,174	295	-
In Construction							
Elderly	110	87	22	1	-	-	-
Predicted Available by Mid-1969							
Elderly	669	533	136	-	-	-	-
Other Futures							
Elderly	300-500	Yerba Buena Center					
Family	200	Scattered Sites, Western Addition A-2					
Not Programmed	1,313- 1,513						

The following summary can be drawn from the preceding table:

TABLE 5

<u>Status</u>	<u>Total</u>	<u>Elderly</u>	<u>Non-Elderly</u>
Total Units	8,418	1,640-1,840+	5,265+
In Operation	5,626	561	5,065
In Construction	110	110	-
Completion Programmed	669	669	-
Other Programmed	500-700	300-500	200
Not Programmed	1,313-1,513	?	?

Close to one-third of San Francisco's total authorized program remains to be placed under construction. Any expansion of the program beyond the total of 8,418 units would be contingent upon the passage of another referendum, as required by Article XXXIV of the Constitution of the State of California.

C. Scope of Sec. 23 Private Leasing Program

The LHA has been authorized to utilize 500 units in the private leasing program, 350 for elderly single persons and

couples, and 150 for families. The program was started in January 1967; by July over 90 households were placed, and negotiations were nearing completion for over 300 units. The LHA has requested additional subsidy funds of the Department of Housing and Urban Development for another 1,000 households to be placed in private housing.

D. Units Available in Public Housing Through Turnover

Vacated units in public housing represent a capturable supply for displaced families, since preference in filling vacated units is given to families displaced by public action.

Vacate data were assembled first for the year ending April 30, 1966 for 5,436 units, with results as follows :

		<u>Table 6</u>						
		Number of Bedrooms						
		<u>Total</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
<u>Non-Elderly</u>								
Total Units		5,065	-	884	2,672	1,174	295	40
Vacated Units								
Total :		1,580	-	353	871	304	49	3
Filled by								
Transfers		313	-	28	125	131	28	1
Remaining								
Vacates		1,267	-	325	746	173	21	2
Percent Vacated								
Units		31.2%	-	39.9%	32.6%	25.9%	16.6%	7.5%
Filled by								
Transfers		6.2	-	3.1	4.7	11.2	9.5	2.5
Remaining								
Vacates		25.0	-	36.8	27.9	14.7	7.1	5.0
<u>Elderly</u>								
Total Units		370	122	248	-	-	-	-
Vacated Units								
Total :		96	15	81				
Filled by								
Transfers		14	-	14				
Remaining								
Vacates		82	15	67				

(.../contd.)

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Table 6 (contd.)

	Number of Bedrooms						
	Total	0	1	2	3	4	5
<u>Elderly (contd.)</u>							
Percent Vacated							
Units	25.9%	12.3%	32.7%	-	-	-	-
Filled by							
Transfers	3.7	0.0	5.7				
Remaining Vacates	22.2	12.3	27.0				

As this table indicates, 25% of the units occupied by non-elderly became available during the year to non-project residents; among units occupied by elderly the figure was 22.2%.

Turnover was again studied for the same projects for the year ending April 30, 1967, and a similar pattern appeared. The following table shows the figures for each year :

Table 7

Vacated Units Not Needed For Project Transfers
As Percent of Total Units, By Type of Unit

Type Of Unit	Year Ending	
	4-30-66	4-30-67
<u>Non-Elderly</u>		
Total	25.0%	24.4%
1-BR	36.8	31.6
2-BR	27.9	27.5
3-BR	14.7	15.6
4-BR	7.1	11.2
5-BR	5.0	15.0
<u>Elderly</u>		
Total	22.2%	23.0%
Studios	12.3	11.5
1-BR	27.0	28.6

There is not much difference between the vacate rates for each of the two years examined. Only a minor percentage of

these vacates is due to over-income removal, which is reported by the LHA at 103 families in 1965 and 89 in 1966, as compared with the total vacate of 1,950 in the year ending 4-30-66. Thus, the increase in income limits effected in December 1966 will not introduce a material decrease in public housing outflow.

It is noteworthy that even elderly couples move out of one-bedroom units at a rate exceeding 25 percent per year.

The rate of departure from the larger units is noticeably below that of the smaller units, as Table 7 indicates.

A comparison of vacate percentages in public housing with the vacate percentages yielded by this firm's study of the private market in the summer of 1966, as reported in Chapter IV, is instructive. The following table shows this comparison.

Table 8

Comparison of Percent of Vacates in Public Housing for Year Ending 4-30-66 with Percent of Vacates in Unfurnished Private Housing for Year Ending Summer 1966.

<u>Number of Bedrooms</u>	<u>Public Housing Non-Elderly</u>	<u>Private Housing</u>
1-BR	39.9%	34%
2-BR	32.6	31
3-BR	25.9)
4-BR	16.6	(
5-BR	7.5) 24

Chapter VII

Digest of Prospective Displacement

A. Introduction

The purpose of this chapter is to present a digest of prospective displacement activity, including demolition and rehabilitation in redevelopment areas, highway and rapid transit construction, over-income removal from public housing, code enforcement and demolition of temporary housing projects.

B. Prospective Displacement in Redevelopment Areas

The San Francisco Redevelopment Agency conducted studies in 1967 in the Western Addition A-2, Yerba Buena Center and Hunter Point Redevelopment Areas to update information on volume and characteristics of the households that may be displaced by demolition and rehabilitation in these areas. The following table shows the dimensions of this prospective displacement.

Table 1

Prospective Displaced Households, by Redevelopment

Area and Type of Household

Redevelopment Area	Total	Type of Household			
		Single Persons			Families
		All Single Persons	Elderly Eligible For Sub- sidized Housing	Other Single Persons	
Total	10,350	6,862	2,159	4,703	3,488
Western Addn. A-2	6,727	4,119	1,461	2,658	2,608
Yerba Buena Center	2,828	2,575	679	1,896	253
Hunter Point	795	168	19	149	627

Several summary facts can be derived from the table above :

- . Two-thirds of the prospective displaced households are single individuals.
- . Among the single individuals, 31% are low-income elderly persons eligible for federally-subsidized housing.
- . Relative household displacement from the three areas is as follows :

	<u>Table 2</u>	<u>Singles</u>	<u>Families</u>
Western Addition A-2		60.1%	74.7%
Yerba Buena Center		37.5	7.3
Hunter's Point		2.4	18.0

Not all displacement will result from demolition. Some rehabilitation activity will raise rents beyond the means of current occupants, who will be displaced as a result of inability to afford the increased rents. The expected source of displacement activity, by redevelopment area, is shown in Table 3.

Table 3

Sources of Displacement Activity, By Redevelopment Area

Source of Displacement Activity	Redevelopment Area			
	Total	Western Addn.A-2	Yerba Buena Center	Hunters Point
<u>Total</u>	10,350	6,727	2,828	795
Singles	6,862	4,119	2,575	168
Families	3,488	2,608	253	627
<u>Demolition</u>	8,657	5,034	2,828	795
Singles	5,843	3,100	2,575	168
Families	2,814	1,934	253	627
<u>Rehabilitation</u>	1,693	1,693	-	-
Singles	1,019	1,019	-	-
Families	674	674		

Table 4 shows the racial composition of the prospective displaced households; 68% of the single persons are white, 74% of the families are nonwhite. There is Oriental representation in the nonwhite group but for the most part nonwhite indicates Negro.

Table 4

Racial Composition of Prospective Displaced Households

<u>Racial Composition</u>	<u>Redevelopment Area</u>			
	<u>Total</u>	<u>Western Addn.A-2</u>	<u>Yerba Buena Center</u>	<u>Hunters Point</u>
<u>Total</u>	10,350	6,727	2,828	795
White	5,616	3,183	2,403	30
Nonwhite	4,734	3,544	425	765
<u>Single Persons</u>	6,862	4,119	2,575	168
White	4,694	2,382	2,306	6
Nonwhite	2,168	1,737	269	162
<u>Families</u>	3,488	2,608	253	627
White	922	801	97	24
Nonwhite	2,566	1,807	156	603

The types of accommodations needed by the prospective displaced households are shown in Table 5:

Table 5

Types of Accommodations Needed by Prospective
Displaced Households

<u>Types of Accommodations</u>	<u>Total</u>		<u>Single Persons</u>	<u>Families</u>
	<u>No.</u>	<u>Pct.</u>		
Total	10,350	100.0%	6,862	3,488
Rooms	4,623	44.7	4,623	-
Studios	126	1.2	126	-
1-Bedroom	3,371	32.6	2,113	1,258
2-Bedroom	1,107	10.7	-	1,107
3-Bedroom	664	6.4	-	664
4-Bedroom	271	2.6	-	271
5-Bedroom	188	1.8	-	188

The San Francisco Redevelopment Agency classified the types of accommodation needed by single individuals on the types occupied at time of study. This accounts for the variation among single individuals. The number of bedrooms needed by families was determined by measuring each family's need in terms of the number, age and sex of the family members.

The housing needs of the prospective displace households will be studied in detail in subsequent chapters of this report. The capacity of the housing supply to meet these needs will be analyzed, and conclusions presented.

C. Prospective Displacement By Other Governmental Activity

1. Highway and Rapid Transit Construction

Expected displacement from highway and rapid transit construction over the next five years is minimal. Freeway construction will remove one hotel of 173 rooms; this hotel was not included in the statistical universe of the hotels that will provide relocation resources. Rapid transit may displace four families in the Mission.

2. Over-Income Removal From Public Housing

The required move-out of over-income families from public housing is also classified as a displacement activity. In 1965, 103 families left public housing for this reason; in 1966 the number was 89. The LHA increased income limits in December 1966. Over a five-year period, possibly 500 families will depart public housing, who are theoretically in position to afford private standard housing available in the community.

3. Code Enforcement

It is impossible to predict the number of households that will be displaced by code enforcement activity, much less the characteristics of such households. In the typical case, the dwelling-space in an eliminated dwelling unit remains as dwelling-space, but as part of another unit rather than a separate unit. A common type of dwelling unit elimination is the required return to the legal number of units in a building that had been subdivided into more than the legal number.

The official predictions of dwelling unit elimination from code enforcement activity are as follows:

- 1) In the five Conservation Areas, for
the two-year period ending 6-30-68 272 units*
- 2) In one and two-unit buildings not
in the Conservation Areas, for the
two-year period ending 6-30-68: 364 units*
- 3) In apartments and hotels not in the
Conservation Areas, for the two-year
period ending 6-30-68: 1,279 apts.
631 rooms

* Includes rooms as units.

These are but very rough predictions of total volume. For instance, there has already been a slowdown in the elimination of units in apartments and hotels outside of Conservation Areas, as indicated by these figures for the month of July 1967:

Table 6
Dwelling Units Eliminated By Code Enforcement
Activity, Outside of Conservation and Redevelop-
ment Areas, July 1967

	<u>"Units" Eliminated</u>
5 apartments to 2 flats	3
4 apartments to 2 flats	2
6 apartments to 2 flats and 2 housekeeping rooms	2
4-unit apt. house demolished	4
10-room hotel demolished	10
Total :	<u>21</u>

Typicality of this month is unknown, but 13 apartments times 24 equals 312, as compared with a forecast of 1,279.

Since 1963, the SFRA has provided a central relocation service for households displaced by public action. From June 1963 to December 1966, the SFRA has received only 172 referrals of displaced households.

For projecting the housing requirements generated by code enforcement one needs these statistics either on past or projected household displacement :

- . Number of families by size, income and race.
- . Number of single persons by income and race.

This information is unobtainable.

4. Demolition of Temporary Housing Projects

Four temporary housing projects still stand in San Francisco. By State law, they must be demolished no later than 1970. These projects are identified in Table 7, which also shows actual occupancy as of July 25, 1967.

Table 7
Occupancy in Remaining Temporary
War Housing Projects, As of July 25, 1967

	<u>Occupied Units</u>						
	<u>No. of Bedrooms</u>						
	<u>Total</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
<u>Hunters Point</u>							
<u>Redevelopment Area</u>							
Ridge Point	679	14	235	322	73	20	15
<u>Non-Redevelopment Area</u>							
Total	293	9	72	132	77	3	-
Navy Point	115	5	35	39	36	-	-
Candlestick	88	4	14	53	14	3	-
Wisconsin	90	-	23	40	27	-	-

Vacancies have been frozen in the three temporaries not located in the Hunters Point Redevelopment Area, so normal attrition will reduce the number of families who will ultimately be displaced.

The Navy Point Project must go by June 30, 1968, since the project site is on a leasehold, from the Federal government, which expires on that date. To meet this deadline the plan is to transfer remaining families, if necessary, into the vacant leasable units within the center core of the Ridge Point Project, where

there were 172 vacant units as of July 25, 1967.

The 679 households at Ridge Point are included in the redevelopment displacement projections presented in Section B of this chapter. A comparison of this number-679- with the number of 795 in Table 1 raises an interesting point, since it shows the attrition in relocation need which has already occurred in the Hunters Point Redevelopment Area, even though admission to vacant units is still open in this project.

The occupancy of temporary housing reflects some demand for permanent public housing, and indeed the LHA has been transferring families from temporary into public housing. If the income data obtained by the SFRA at Hunters Point are used as a guide for the other temporary projects, some 65% of the resident families may be estimated as qualified under the special admission limits for displaced families.

5. New Public Housing Projects

No displacement will be involved at the sites of the six programmed projects that are scheduled for completion by mid-1969. Any displacement that will be involved for the 300-500 units in Yerba Buena Center and the 200 units on scattered sites in Western Addition A-2 is already included in the prospective redevelopment displacement.

The amount of displacement that may be required for additional public housing projects is not predictable at this point. If such displacement does occur, the LHA is

VII.

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entitled to give these displacees a priority for admission to public housing over those displaced by other public action.

Chapter VIII.

Hotel Rooms: A Study in Supply and Demand

A. Supply of Hotel Rooms

In Chapter II, extensive turnover in hotel rooms was reported. Relocatees and non-relocatees will be competing for this turnover. Since there is active inter-hotel movement in San Francisco, some of the rooms opened through vacate are absorbed by hotel transferees.

Some information on inter-hotel moves can be gleaned from the survey^{1/} conducted in the Yerba Buena Center Area by this firm in 1963. The following length-of-residence figures are taken from Table 8 in Appendix 1 of the report on that survey.

Table 1

Length of Residence of Occupants in Yerba Buena Center, as of Spring 1963

<u>Length of Residence</u>	<u>Residence in :</u>		
	<u>Hotel</u>	<u>Neighborhood</u>	<u>San Francisco</u>
Total :	100.0%	100.0%	100.0%
Under 1 month	17.8	9.0	5.3
1 - 3 months	13.1	6.8	3.8
4 - 6 months	13.4	7.3	3.0
7 -12 months	15.3	10.3	4.6
Over 12 months to			
5 years	22.5	25.9	15.3
Over 5 years	17.9	39.4	66.6
Not reported	0.0	1.3	1.4

These three columns show more occupancy stability in the neighborhood than in the particular hotel, and more stability in San Francisco than in the particular neighborhood. Thus, although at the time of that enumeration, only forty percent of the hotel

^{1/} Relocation Survey Report. South-of-Market Redevelopment Project, December 1963. E.M. Schaffran and Co.

occupants had lived in their respective hotels over a year, two-thirds had lived in the neighborhood^{1/} over a year, and more than eighty percent had lived in San Francisco over a year. This shows that vacated hotel rooms are being occupied, to some extent, by people transferring between hotels in the city, who will therefore be competing with displacees for available hotel rooms.

The hotel field-work for this current study was performed principally in June 1966. Hotel operators indicated a willingness, at that time, to fill 87% of the rooms with permanent guests.

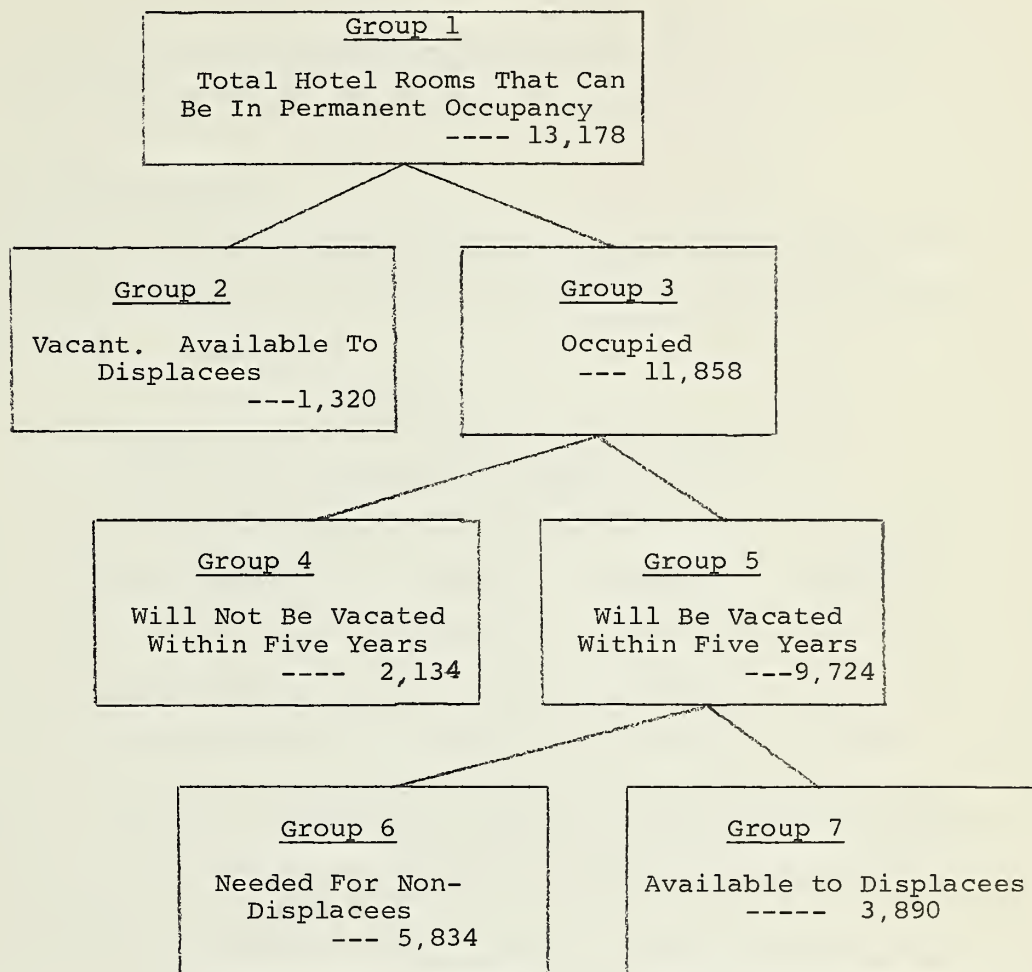
Racial discrimination in the renting of hotel rooms is illegal. The extent to which de facto discrimination exists is unknown. To be sure, there is some degree of discrimination, ranging from unfriendliness to refusal. One may reason that refusal of admission to non-white applicants does not occur extensively, since hotels are so directly exposed to enforcement of the non-discrimination law.

What is the estimate of the supply of hotel rooms that will become available to displaced persons over a five-year period? Through use of current vacancies, and rooms vacated over a five-year period not needed by others in the city, the number of rooms available to displacees is estimated at 5,210. The process of arriving at this figure is shown on the following page.

In this process, the estimated 1,320 vacant rooms available for permanent occupants are shown as allocated to displacees. Then, after estimating the rooms that will be vacated during a five-year period, and the number of vacated rooms needed for non-displacees, the residual vacates available to displacees is

^{1/}This means, in effect, in other hotels within South-of-Market

Process of Estimating Number
of Hotel Rooms Available to Displacees



Notes :

- a) Group 2 estimated at 10% of Group 1, from vacancy data shown in Table 6 of Chapter II in this report.
- b) Group 4 estimated at 18% of Group 3, from length-of-residence data in Table 8 of Appendix 1 in 1963 "South-of-Market" Relocation Report.
- c) Group 6 estimated at sixty percent of Group 5, from same source as Group 4 estimate.

shown - at 3,890. Thus, the total hotel rooms available to displacees over a five-year period is estimated at 5,210,^{1/} the 1,320 vacant plus 3,890 vacates.

The estimated rent distribution of these 5,210 hotel rooms is shown in Table 3 of this chapter.

B. Need For Hotel Rooms

The SFRA (San Francisco Redevelopment Agency) shows the following figures for single persons whose needs can be met by hotel rooms:

<u>Table 2</u>			
<u>Prospective Displaced Persons Who Can</u>			
<u>Be Accommodated in Hotel Rooms</u>			
<u>Renewal Area</u>	<u>Total</u>	<u>Elderly</u>	<u>Non- Elderly</u>
Total	4,623	1,388	3,235
Yerba Buena Center	2,572	740	1,835
Western Addition A-2	2,048	648	1,400

Fifty-six percent of the single persons who can be accommodated in hotel rooms reside in Yerba Center Center; thirty percent of the total are elderly.

It is reasonable to conclude that these figures overstate the permanent relocation need. Some of the single persons who are not permanent in the community will in all probability leave the city within a few years, either before or after relocation. For instance, the aforementioned 1963 survey found that twelve percent of the single persons in YBC hotels had lived in the city no more than six months; one-sixth no more than one year. Thirty percent of the persons are in the elderly category; mortality tables would project some decrease in relocation need

^{1/} This is exclusive of the rooms available in rooming-houses and private rooms, which were the subject of Chapter III.

over a five-year period. However, despite the overstatement of relocation need, the above figures will be used at face value, without any attempt at reduction, in the interest of conservative conclusions regarding the adequacy of relocation resources.

C. Comparison of Supply and Demand

Table 3, on the following page, contains a comparison of supply and demand. It compares the estimated number of rooms available to displacees for permanent occupancy, by monthly rent, with the number of prospective displaced persons, who are classified by rent-paying ability.

In total numbers, there are enough rooms to fill the prospective displacement demand. However, there are no rooms available at less than \$20 per month, and a need is shown for 896 rooms at this level, assuming a 20% rent-income percent, or 645 rooms if rent-income percent is raised to 25%. There is also a shortage of 251 rooms in the \$20-29 group, at the 20% rent-income percent, but this shortage disappears if a 25% rent-income percent is used. Above the \$29 per month there is an ample supply of rooms at either rent-income percent.

It is reasonable to use a 25% rent-income percent for single persons. In the national Rent Supplement Program, subsidized low-income families pay one-fourth of their income for gross rent. Single individuals can devote a larger proportion of income for than families, since their financial requirements for non-housing items are less than those of families at similar incomes.

Table 3

Comparison of Private Permanent Rooms Available to Displaced Single Persons With Prospective Number of Displaced Single Persons in Western Addition A-2 and Yerba Buena Center, By Monthly Gross Rent and Rent-Paying Ability

Monthly Gross Rent	Supply of 1/ Rooms	2/ Demand from Single Persons, With Rent-Paying Ability At :				
		20% of Income		25% of Income		Non-Elderly
		Total	Elderly	Non-Elderly	Total	
Total	5,210	4,623	1,388	3,235	4,623	3,235
Under \$20	0	896	290	606	645	448
\$20 - 29	636	887	460	427	606	329
30 - 39	1,245	669	375	294	666	315
40 - 49	1,797	352	102	250	535	235
50 - 59	526	273	58	215	281	200
60 - 69	719	324	35	289	235	179
70 and over	287	1,322	68	1,154	1,655	1,529

1/ The method of arriving at the supply of 5,210 rooms is explained earlier in this chapter. This room supply is distributed by monthly gross rent in conformance with the percentage distribution for all rooms occupiable by permanents, as shown in Table 6 of Chapter II.

2/ Data on demand supplied by San Francisco Redevelopment Agency.

In actual practice, the LHA's schedule produces a rent in the neighborhood of 25% of income for single individuals.

At a 25% rent-income percent there are 645 single persons shown as needing rooms under \$20. This is an overstatement^{1/} of the need at that rent level, for the following reasons: First, there is some underreporting of income. This is a common phenomenon in income surveys. Some respondents understate their income either through deliberateness, forgetfulness, or actual ignorance. Secondly, welfare rent allowances make it possible for some of these individuals to pay higher rents. Thirdly, at the time of the 1963 survey of the Yerba Buena Center area, there were only 56 individuals paying a room rent of less than \$20 per month.

After the upward adjustments are made in rent-paying ability, there may still be some shortage of rooms renting for less than \$30 per month. If such shortage materializes, there are three possible methods for closing the gap between demand and supply:

- 1) A step-up in welfare payments to the individuals involved, to the extent of their entitlement.
- 2) Extension of the Sec. 23 Leasing Program to lower-rent standard hotel rooms, for both elderly and non-elderly displaced single persons.
- 3) Provision of local subsidy, by the City and County of San Francisco.

^{1/} There is also an overstatement of the "demand" at the "\$70 and over" rent level. These individuals are so classified on the basis of income, but characteristically they pay lower rents, as shown by the 1963 survey

Chapter IX

Rental Units: Supply and Demand

A. Underlying Observations

This chapter will contain an analysis of the extent to which the displacement demand for rental units can be satisfied. The preceding chapter covered that portion of the displacement demand that can be met with hotel rooms; this chapter is addressed to rental units other than hotels.

In Chapter IV, data were presented on vacancies found in private standard housing at the time of the survey, and the volume of units which had been vacated in the preceding year. To gain access to these available units, displacees compete with newcomers to the community, new households which have been formed within the community, and households moving within the community. Through relocation assistance provided by the SFRA, the ability of displaced households to obtain vacancies should be enhanced, but it cannot be expected that they will have an overwhelming edge over their competition. The only housing inventory to which persons displaced by public action have prior access is public housing, where State law requires a first priority for such displacees, and private housing operated under Sec. 221(d) (3) of the National Housing Act, where displacee priority is required by Regulatory Agreement with the Federal Housing Administration, and (within redevelopment areas) by sales agreement with the SFRA.

The community needs a complement of vacant units for the normal operation of the housing market. To quote the Field Market Analysis Service of the Federal Housing Administration on the subject of vacancies in San Francisco as of April 1, 1966: "The current homeowner and renter vacancy ratios are only moderately above those which are deemed to represent a reasonable relationship between demand and supply in an area with the growth characteristics of San

Francisco County." ^{1/}

The demolition of a large number of dwelling units, such as is anticipated in Western Addition A-2, Yerba Buena Center and Hunters Point will decrease the vacancy rate, slow turnover down, and possibly increase rents, unless there is some offsetting increase in housing supply or drop in demand. It is axiomatic, therefore, that replacement housing should be constructed for the redevelopment-removed housing stock.

Even in advance of redevelopment demolition, there is some evidence that vacancies have decreased since the summer of 1966, when the field-work for this study was undertaken. The volume of newspaper advertisements on dwellings to rent is a suggestive index, albeit an unscientific one; a comparison of ads in the San Francisco Chronicle and Examiner for June 2 through 8, 1967 with September 15 through 18, 1966, shows a marked drop in volume.

If there has, in fact, been a reduction in vacancies what might the causes have been? There is some evidence to indicate that a scissor action has been at work; additions to the housing supply have been retarded and demand has increased. On the supply side, new construction has been slowing down since 1964, as the following building permit figures show:

^{1/} "Analysis of the San Francisco, California Housing Market as of April 1, 1966". A Report by the Federal Housing Administration, Department of Housing and Urban Development.

Table 1

New Housing Units Authorized by Building Permits
San Francisco City and County

Year Permit Issued	Type of Structure				
	Total	1 Unit	2 Units	3-4 Units	Over 4 Units
1960	3,560*	637	122	309	2,492*
1961	3,211*	586	114	235	2,276*
1962	5,191	829	168	239	3,955
1963	4,224	480	132	254	3,358
1964	5,779*	375	196	205	5,003
1965	3,398*	397	222	302*	2,477*
1966	1,452	279	82	106	985
1967					
1st 6 mos.	777	47	36	81	613

* Includes Public Housing

Source: U.S. Department of Commerce

The slowdown in rate of new construction, coupled with a tight supply of mortgage funds, has decreased the field of choice to households in the market, and thus probably reduced vacancies and turnover to an extent.

On the demand side, in all probability the pressure for housing in the Haight-Ashbury ^{1/} is now higher than in the summer of 1966. The stepped-up immigration of Chinese

^{1/} For the reader unacquainted with San Francisco, the Haight-Ashbury is a neighborhood which has become very popular with members of the hippie community.

persons to this country is also of some housing demand consequence in San Francisco. Vietnam warfare increases the service-connected population in San Francisco.

Authentic population figures for the city as a whole would provide perspective on the overall housing demand. Unfortunately, there has been no population count since the Census of April 1, 1960, and estimates of intervening population change depend upon the scorekeeper. It is a fact that population declined from April 1950 to April 1960, by a count of 775,357 to 740,316 a drop of 4.5%. What has happened since 1960? The San Francisco Planning Department's preliminary population estimate for 1964 was 720,000^{1/}, a further decline of 2.7% from the 1960 census. On the other hand, the Department of Finance of the State of California estimates that by July 1, 1965 the population had risen to 743,100, but that by July 1, 1970 it would drop again to 734,000, .8% below the 1960 Census figure. The FHA Market Analysis Service estimates San Francisco population at 750,000 as of April 1, 1966. The following table compares the different score-cards.

^{1/} Table 7, page 19, in report entitled "A Preliminary Estimate of Population by Age, Sex and Color for San Francisco, 1964."

TABLE 2

Comparison of Population Counts and Estimates from Various
Sources for the City and County of San Francisco

Date of Count or Estimate	U.S. Census	S.F. Planning Dept.	State Dept.of Finance	FHA Mkt. Analysis Service
<u>Counts</u>				
April 1, 1950	775,357	-		
April 1, 1960	740,316	-		
<u>Estimates</u>				
1964	-	720,000		-
July 1, 1965	-	-	743,100	-
April 1, 1966	-	-	-	750,000
July 1, 1970	-	-	743,600	-

One of the big information gaps for inter-censal population estimates is migration, both out and in. It is suggested that migration data might be producible through the utility and telephone companies. If origin and destination information were requested in connection with service connects and disconnects, usable facts on in-flow and out-flow might emerge.

To return to the main theme of this discussion, changes are occurring in the marketplace. At the moment, it looks as if vacancies and turnover in private housing are declining. Chances are that there is some stiffening in rents, accompanying a reduction in vacancies. Also, as prices rise in general, it is not unreasonable to expect a gradual upward movement in rents.

The possibility of rent increases resulting from the new assessment requirements of State Law AB-80 should not be overlooked. The new assessed valuations for San Francisco were issued in July 1967; in September a lowered tax rate will probably be announced. Even at the lowered tax rate, it appears likely that there will be an increase in taxes for smaller income properties, those containing less than five units, since these have been typically assessed at substantially lower ratios than the new level of 25%. If

this tax increase is passed along to tenants, the resulting rent-increases will be particularly noticeable among the larger units, since so many of them are located in the smaller buildings.

By now, the points have been made that :

- . Volatility in the housing marketplace will change rental housing facts from year-to-year.
- . Data on private rental housing were collected for this study in the summer of 1966.
- . Displaced households have no competitive priority over other households for access to private available housing, other than to Sec. 221(d) (3) units.
- . When a substantial supply of housing is demolished, it must be replaced.

Accordingly, no extrapolation is made in this report of the quantity or characteristics of available private rental housing over a five-year displacement period. First, in view of the unavoidable unknowns and imponderables, such a forecast would be a misuse of statistics collected at a given point in time, and second, the forecast is not needed to demonstrate adequacy of housing supply where it exists.

Tables A through F attached show the estimated vacancies, and vacates over a one-year period, for private housing. In Chapter IV an explanation is given as to how these figures were generated. The attached tables also show the number of displaced households classifiable in the private housing sector, as distinguished from federally-subsidized housing. The figures on the one-year volume of private housing available to these and other households supplemented by data on 221(d) (3) housing, make it possible to draw conclusions regarding the adequacy of

private housing to meet this portion of the housing need.

On the other hand, the estimates of available public housing do show a five-year forecast, by number of bedrooms. This forecast is based upon the two-year record of vacated units not needed for project transfers, the units now under construction, and the projects programmed for completion by mid-1969. As indicated by the figures in the attached Tables A through F, the forecast of future vacates was prepared conservatively, by stepping down the future vacate rate in comparison with past known vacate rates.

The other prime difference in housing availability data, as between public and private housing, is that public housing is available first to households displaced by public action. Here the supply is directable to the relocatee, here the displacee does have a competitive edge and jumps to the head of the queue.

But queue there is, and that raises another problem. As of July 30, 1967 there were 3,246 applications on hand for public housing, classified as follows :

Table 3

Applications for Permanent Public Housing in
San Francisco, as of July 31, 1967

Total :	3,246
Apparently eligible registrations	132
Completed applications being	
processed for eligibility	1,969
Completed, eligible applications	1,145

Of the 3,246 applications on file, 1,798 were for single elderly persons, and 296 for elderly families of two or more persons.

Approximately 150 of these applications were filed by households in Western Addition A-2. During the month of July 1967, eighteen units were leased to applicants from this area. The proportion of SFRA referrals to the LHA that result in actual placement is on an uptrend.

To the extent that displacees absorb the supply of public housing units desired by non-displacees, the housing needs of the latter families remain unserved. This again emphasizes the urgency of hastening the construction of replacement housing, including the authorized public housing.

D. Capacity of Housing Resources to Meet the Displacement Need

1. Capacity in General

Most of the prospective displaced households can be relocated over the next five years through the use of the present public and private housing inventory, the public housing which has been programmed for completion by mid-1969, and the 221(d) (3) units already under construction. However, the resulting dislocation impact upon the displacees and upon the housing market demands the early construction of replacement housing to better serve the needs of the displaced persons and avoid an imbalance in the supply and demand for housing throughout the city.

The timing of replacement housing is a ^{critical}~~critical~~ factor. It must put in an appearance while displacement is actually

occurring, both to fill certain gaps in housing resources and prevent housing indigestion.

Of top priority is the creation of quality housing, within Western Addition A-2 and elsewhere in the city, that will respond to the needs of the displaced residents. This involves both new construction and rehabilitation at a production rate far in excess of that shown to date.

In the analysis which follows, heavy reliance is placed upon existing public housing to meet the needs of displaced households, at least for an interim period pending the production of other housing which by location or other features may be more attractive to displacees. However, the strength of the role which public housing can play in absorbing the first impact of relocation is dependent upon:

- (1) Accommodating in studio apartments designed for the elderly most of the elderly single persons whose current apartments are larger than studios but are not specifically designed for the elderly.
- (2) According a displacement priority to non-elderly single persons.
- (3) Increasing the ability-to-pay, or lowering the minimum rents in public housing as may be required, for those households whose incomes are too low to pay the minimum rents in public housing.

These points are of such weight, that they will be discussed at this juncture, in advance of the analysis of resources adequacy in the individual unit size group.

Regarding point one: The SFRA has shown single persons in the one-bedroom category, if at time of survey they were living in units containing one or more bedrooms. It is reasonable to conclude that studio units of special design for the elderly, in buildings that incorporate recreational facilities for the elderly, in locations that are convenient for the elderly, are typically superior for meeting the needs of the elderly single than the apartments they now occupy. If this is an acceptable premise, particularly to the single elderly^{1/} involved, the studio apartments can absorb most of the overburden on one-bedroom units that the analysis discloses.

Regarding point two: The admission of non-elderly single persons to public housing would be a new departure, at least for San Francisco. The priority for public housing which State law extends to displacees applies, apparently, both to the elderly and non-elderly. If the LHA should decide that the admission of non-elderly singles to public housing overtaxes the supply, the Sec. 23 program would assume importance as an alternate solution.

Regarding point three: There will be some displaced households unable to afford the minimum rents in public housing. The extent of this problem is really unknown, because reliability of income statistics for the lowest income strata is open to question. But to the extent that such households do occur, the SFRA should muster all possible welfare assistance to which they are entitled. In the actual experience of the LHA, it is reported, it is a very rare occurrence that with Aid to the Indigent, Old Age Security, or some form of public assistance, a household is unable to pay the minimum rent. For those cases

^{1/} In this report, "elderly" means 62 or over.

where the minimum rent cannot be reached, the SFRA should be ready with a subsidy program. In addition, the LHA could possibly drop below the minimum rent, on a case basis, without impairing financial solvency, since increased admission volume at the special higher income limits for displaced families may provide the extra rent revenue to offset reductions in the rent minima.

2. Capacity By Number of Bedrooms

We now turn to an analysis of relocation capacity by number of bedrooms. In this section the ability of the housing market, both public and private, to absorb the prospective displacement will be studied in each bedroom grouping, from studio units through five-bedroom units.

a. Studio Units

1) Public Housing

Except for those single persons who may not be able to afford the minimum gross rent of \$39 in public housing, there is an ample supply of studio apartments for the prospective displacement demand as shown in Table A attached. The LHA now uses a rent-income percent of virtually 25% for single individuals. At the LHA's rent schedule, a single person with monthly income of \$150 pays the \$39 rent. The SFRA data on income distribution indicate that 18 single persons have an income below \$150 per month. Suggestions for raising the rent-paying ability of single persons

at the sub-\$39 level were made in the preceding section and are not repeated here.

As Table A attached indicates, 87 new studio units will open this fall and another 533 are scheduled to open by mid-1969, for a total of 620 new studios, excluding construction of the 300 to 500 units in Yerba Buena Center and the remaining authorized units. The actual vacate rate of studio units over the two-year period ending April 30, 1967 supports the conservative estimate that of the 266 studios now in operation, 40% - or 106 - will be vacated over a five-year period.^{1/} Thus, the combination of programmed new studios and vacates in present studios yields an estimated supply of 726 over the next five years.

Total requirements for studios in public housing are placed at only 77, of which 38 are elderly and 39 non-elderly; this leaves an excess supply of 649 studios. It is recommended that these be included in the supply for elderly single persons who are otherwise shown in the one-bedroom category, as per previous discussion on this point.

2) Private Housing

There are only 49 single persons classified in the market for private studios. The one-year vacate volume of standard studio apartments in the appropriate rent groups is estimated at over 9,000. In the Private Housing comparison in Table A, single individuals are classified as to rent-paying ability under the alternate 20% and 25% rent-income percentages. At either percent the 49 single persons have ample choice at rents within their means.

^{1/} The Appendix to this chapter explains the method used for estimating the number of vacates in present public housing that will be available over a five-year period to new admissions.

b. One-Bedroom Dwelling Units1) Public Housing

The low-income demand for one-bedroom units produces the greatest problem, in numerical terms, of any unit size. This is occasioned by the classification of 2,113 single individuals in the one-bedroom category, of whom 1,171 are at too low an income for private standard one-bedroom units.

The Table B attached contains the numbers for the one-bedroom analysis. On the supply side of public housing, it is estimated that over the next five years 75% of the present supply of "non-elderly" units, and 68% of the present supply of "elderly units, will be vacated and available for new admissions after the transfer needs are met. In addition, 22 new one-bedroom units will be available this fall, and another 136 scheduled to be available by mid-1969. This produces a total of 1,022 one-bedroom units available over a five-year period to the 499 families and these 1,171 single individuals who may be displaced by redevelopment, plus other possible displacees, thus leaving a shortage if the single persons remain in the one-bedroom column. However, if the need is recast by satisfying 87% of the single elderly persons with studio units, the gap virtually disappears. The following table brackets the supply/demand factors for studios and one-bedroom apartments.

Table 4

Summary of Supply and Demand for Studio and One-
Bedroom Units, Public Housing

	<u>Totals</u>	<u>Studios</u>	<u>1-Bedroom</u>
<u>Supply: Dwelling Units</u>			
<u>Total</u>	1,748	726	1,022
For Elderly	1,083	726	357
For Non-Elderly	665	-	665
<u>Demand: Households</u>			
<u>Total</u>	1,747	77	1,670
Single Ind.: Total	1,248	77	1,171
Elderly	788	38	750
Non-Elderly	460	39	421
Families	499	-	499

The 1,748-unit supply shown in Table 4 will cover the 1,747-unit demand if the following assumptions are made:

- 1) The 77 singles (including the non-elderly) who require studios are placed in studios.
- 2) Of the 750 elderly singles shown as needing 1-bedroom units, 649 are placed in studio units, and the remaining 101 in 1-bedroom units designed for the elderly.
- 3) Of the 499 families requiring 1-bedroom units, 256 are placed in 1-bedroom units designed for the elderly, and 243 in non-elderly 1-bedroom units. The age mix of the 499 families is unknown; thus there is uncertainty about the appropriateness of this split between elderly and non-elderly units.
- 4) The 421 non-elderly singles shown as needing 1-bedroom units are placed in non-elderly 1-bedroom units.

In the above placement process, only 39 non-elderly single individuals are placed in elderly housing. Hence, placement of the other 421 non-elderly singles would cause no strain on the limited supply of housing for the elderly, nor would it introduce a mix of elderly and non-elderly in elderly projects.

The fit between composite studio/1-bedroom supply and demand is too close, however. It leaves no room for other households displaced by public action, and the placement of the 499 families may be out of balance as indicated above.

How can the fit be eased? Groundbreaking for the anticipated 300-500 units for the public housing in Yerba Buena Center could be accelerated. The Sec. 23 Private Leasing Program could be opened up to non-elderly single displacees, at appropriate rent levels. New public housing at Hunters Point responsive to some of ^{this} ~~the~~ demand could be completed within the projected five-year relocation period.

Also, it is felt that the tightness of the fit is somewhat overstated. As indicated in the Appendix to this Chapter, no units are returned to the available inventory as a result of relocated households moving out of public housing within the next five years. This exclusion adds another safety factor to absorption projections, but it is ultra-conservative to project no outflow among the non-elderly single individuals. To the extent that outflow of relocated households from public housing would occur during the five-year period, more units will open up for displacees, and others.

To what extent would the minimum gross rent of \$39 in studios and one-bedroom units require special efforts to raise rent-paying ability? If the income distribution of prospective displaced households is accepted at face value, 365 single individuals cannot meet the \$39 rent at 25% of income; neither can 159 families at a 20% rent-income

relationship.

2) Private Housing

It is estimated that in the one-year period preceding the summer of 1966, over 13,000 private standard one-bedroom units were vacated at rent levels appropriate to the needs of 1,701 households, as shown on Table B attached. The 1,701 households include 942 single persons and 759 families. Should there be a slowdown in vacates, increase in rents, illegal racial discrimination - and even some overstatement in the statistical universe -- the demand is so small in relation to the vacate supply that will be appearing on the market place over a five-year period that it is entirely reasonable to conclude that this 1,701 household portion of the prospective displacement demand can be met by private housing.

There is, in addition, a "controllable" supply of moderate-priced housing in the Sec. 221(d)(3) program, hereafter referred to as "d3". As previously reported, displaced families have admission priority for d3 projects. Already under construction on Sites 1 and 2 at Diamond Heights are 52 one-bedroom units with a scheduled gross rent of \$121.50, for two-person families with incomes not exceeding \$7,350. At Site 4 in Diamond Heights, another 19 one-bedroom units are programmed in a project which has received an allocation of Federal loan funds. In Western Addition A-2, the first two d3 projects are also under such loan allocation; these will be built on sites that involve no displacement, and they are programmed to include 43 one-bedroom units.

c. Two-Bedroom Dwelling Units

1) Public Housing

Expected vacates in two-bedroom public housing units over the next five years are clearly in excess of displacement requirements from all sources. As Table C attached indicates, it is estimated

that 1,711 vacated two-bedroom units will be available for new admissions over the next five years. The prospective demand from redevelopment displacement, is 749, leaving 962 openings for others.

The minimum rent for a two-bedroom public housing unit is \$40. At a 20% rent-income percent, the monthly income appropriate to a \$40 rent is \$200. The income distribution for the families in the three redevelopment areas show 241 below \$200, which would be an outside count of the number who may need special help to reach the \$40 minimum rent.

2) Private Housing

The 358 families who need two-bedroom units, and who do not qualify for public housing, should be placeable on the private market. Vacates in standard two-bedroom units over the year preceding the summer 1966 field-work, at suitable rent levels, is estimated at over 9,000.

The foregoing count does not include d3 units, and these add a noteworthy supply, available to displacees on a priority basis. The two-bedroom picture, at the moment, is as follows, for families of three and four persons with incomes not exceeding \$8,650.

- . In operation: 430 units at Geneva Towers. Gross rents of \$132 and \$135, 13 vacant units as of August 7, ¹⁹⁶⁷~~1966~~.
- . Under construction: 102 units at Diamond Heights, at scheduled gross rent of \$143.50.
- . In pre-constuction, mortgage funds allocated: 33 at Diamond Heights, 67 in the first two sites at Western Addition A-2.

d. Three-Bedroom Dwelling Units1) Public Housing

It is estimated that 493 three-bedroom units will be available for new admissions to public housing over the next five years. This would be adequate to accommodate the prospective redevelopment displacement of 461 families, but the remaining 32 units may not be sufficient for concurrent public displacement. See Table D attached.

Included in the total of 461 families are 134 families who now reside in temporary housing at Hunters Point. In the SFRA's redevelopment planning for this area, it is anticipated that within the next five years the number of new low-rent units that will be constructed in the area will more than meet the Hunters Point demand.

At a 20% rent-income percent, the \$41 minimum rent in three-bedroom public housing units takes a monthly income of \$205. Income distribution figures show about 20 "three-bedroom" families in Western Addition A-2 and Yerba Buena Center below \$205 income per month, and 33 at Hunters Point.

2) Private Housing

The survey of private housing yields the estimate that over 2,600 standard three-bedroom units vacated during the one-year period preceding the summer of 1966 were suitably priced for the 203 families who are above the income limits for public housing. Recognizing the changes that can occur in the housing market to reduce the number of available three-bedroom units, there should still be an ample supply of vacates over a five-year period to provide access to suitable units for these families.

The d3 program can also be counted on for a significant supply of three-bedroom units. The income limit for families of five and six persons is \$9,950, for four persons \$8,650. The d3 rental inventory of three-bedroom units looks like this:

- . In operation: 143 at Geneva Towers at a gross rent of \$157, 3 vacant as of August 7 1967.
- . Under contruction: 113 at Diamond Heights; gross rent scheduled at \$165.
- . In pre-construction, Federal mortgage funds allocated: 47 at Diamond Heights, 81 at the first two d3 projects in Western Addition A-2.

As a final fail-safe measure, the LHA can raise income limits, and absorb a portion of the demand otherwise assigned to private housing. The very condition that would make this fail-safe measure necessary --- unavailability of private standard housing --- would justify the income limit increase.

e. Four-Bedroom Dwelling Units

1) Public Housing

The number of four-bedroom units in existing public housing projects that may become available for new admissions over the next five years is inadequate to meet the prospective redevelopment displacement. It is estimated that only 77 units will become available, as indicated in Table E attached. The prospective displacement demand from redevelopment alone is 214 families.

New public housing will be needed to meet the deficiency. This comment will apply as well to a deficit in the number of five-bedroom units. However, the production of four and

and five-bedroom units is currently curtailed. The LHA reports that it cannot meet the (non-statutory) construction cost ceilings to which it is subject. The need for units of this size, that displacement would generate, introduces a note of urgency for the resolution of this problem.

There are 200 units of public housing to be constructed on scattered sites in the Western Addition A-2. In addition, as detailed in Chapter VI., there are another 1,313 to 1,513 voter-authorized public housing units whose location has not yet been selected. Available production within this total should yield enough four-bedroom units in the next five years to satisfy displacement needs, assuming a solution of the construction cost problem. This comment applies as well to the five-bedroom units, the next category to be discussed.

The minimum rent in public housing for a four-bedroom unit is \$41. Minimum monthly income appropriate to this rent, at 20% rent-income percent, is \$205. Income figures show about six families below \$205.

2) Private Housing

With the numbers so small on both sides of the supply/demand balance sheet, as shown on Table E attached, this analysis of four-bedroom capacity must be practically on a case basis.

The eight families with a rent-paying ability of \$190 and over have incomes at \$11,400 and over; in five years' time their needs should be satisfied, in view of the vacate activity surveyed in rents of \$190 and over. If not, this would support a case for increasing the income limits in d3 projects, now at \$11,250 for families of seven or more, and \$9,950 for families of five and six. In fact, a condition of this kind could possibly lead to the adoption of special admission limits in the d3 program for displaced families, analogous to the special

admission limits in public housing and Sec. 23 housing for displaced families. Similar questions of public policy would be at work in all three programs.

The five families in the \$180-189 rent group should be accommodated through the d3 program, with choices including eight four-bedroom units under construction at Diamond Heights, to rent at \$186, and 36 four-bedroom units at the three aforementioned d3 projects in pre-construction which have been given an allocation of Federal mortgage funds.

This leaves only 44 families to be served. The vacate activity found in the summer 1966 sample encourages one to believe that a five-year search, by relocation staff and others, will find 44 vacates at the right price. And here again, the fail-safe device of income limit increase in public housing should be able to meet any residual need. This completes a circle with the discussion of four-bedrooms in the public housing category, and prompts a repeat reminder of the need for the delivery of more four-bedroom units.

f. Five-Bedroom Dwelling Units

1) Public Housing

There are only 40 five-bedroom units in the current public housing inventory, and none are contained in any new project on the boards. In the next five years, an estimated 10 of the current 40 will become available for new admissions, whereas 153 are needed, as shown on Table F attached. As indicated earlier, the need can be met with the construction of new public housing.

Only 1 or 2 families, apparently, are at monthly incomes below \$205, the amount appropriate to the minimum gross rent for five-bedroom units in public housing.

2) Private Housing

There are but few five-bedroom rental units on the private market. Because of this scarcity, the survey sample of five-bedroom units was very thin, which decreases the statistical reliability of the projections of private housing supply shown in Table F, and subjects the projections to major alterations if there are changes in the housing market. If five-bedroom units are in one- or two-unit buildings, legal racial discrimination can close them off to minority displacees.

A conservative view of relocation prospects would hold that the current housing stock should be looked to for only about one-third of the need. Eleven Western Addition A-2 families are tabulated at incomes of \$12,000 or more; over a five-year period, with much assistance, they might be placed on the private market. However, for the remaining families, and also for these 11 if necessary, additional housing may be required.

The construction of five-bedroom private rental units is not in fashion these days; it will take some extra inducement to produce them. These are the hazards confronting a sponsor who is considering the incorporation of five-bedroom units in a prospective d3 project: The demand for five-bedroom units is thin. The families who need five-bedroom units may not be interested in his units, and if they are, they may be either unable to afford the rent or over-income. If he does fill his units in the early years, considering the strength of displacement demand, the units may not remain filled. What then?

If these hazards can be removed, perhaps our hypothetical sponsor will be moved to produce, assuming FHA to be a willing mortgage insurer. The problems of the family that wants to move in, but cannot afford the rent, may be solved by the subsidy program which the SFRA and City are considering.

The problem of the over-income family may be soluble by raising the d3 income limit. The problem of inadequate market, either for initial or replacement occupancy, may be met by bedroom interchangeability. The juxtaposition of a five-bedroom unit with a two-bedroom unit, and a swing bedroom, would make it possible to transfer a bedroom from the larger to the smaller unit, and thus create a four-bedroom and a three-bedroom unit in place of the five and two. This device is not uncommon in public housing, where it provides adaptability to meet changes in market demand.

If these be solutions to the problem, and if the sponsor wishes to proceed, he would in all probability require a back-up agreement with the City to cover his contingent liability for excess vacancy loss and conversion expense.

Another approach for creating five-bedroom units is through rehabilitation in Western Addition A-2. The square footage needed for five-bedroom units is available within the perimeters of existing structures scheduled for rehabilitation. The financing tools for rehabilitation are available, a particularly appropriate one being the Section 312 Rehabilitation Loan Program, which provides direct Federal loans at a 3% interest rate to owners of property in urban renewal project areas and concentrated code enforcement areas.

Some 2,400 units are scheduled for rehabilitation in Western Addition A-2. Current residents are not expected to be able to afford the post-rehabilitation rent in over 1,500 of these units, whose owners will have to rehabilitate or sell to the SFRA. It is reasonable to anticipate that some percentage of these 1,500-plus units may be offered for sale to the

SFRA by owners disinterested in undertaking the required rehabilitation. Out of this supply, the SFRA, with the concurrence of the Department of Housing and Urban Development, could possibly fashion a disposition program under which a number of five-bedroom units will be produced by purchaser-rehabilitators. With Federal concurrence, these buildings could possibly be sold at a write-down sufficient to yield finished products at rents within the means of the five-bedroom families above the public housing income limits. Since rentability problems apply alike to rehabilitated and new five-bedroom units, the aforementioned back-up agreement indemnifying the owners against loss would probably be needed.

The field experience of the SFRA in its relocation efforts on behalf of families needing five-bedroom units will provide guidance as to the actual number of additional five-bedroom units that will have to be produced. If the findings of unsatisfiable need are available early in the projected five-year relocation period, it should be possible to start the construction and/or rehabilitation in time for completion within the five-year span.

g. Summary of Supply and Demand

Table G attached contains a summary of the data in Tables A through F, and a capsule listing of recommendations for augmenting housing resources. The estimates of private housing supply in these tables are taken directly from the findings of the survey of the private market conducted in the summer of 1966. Dwelling units available in d3 projects, mentioned earlier in this chapter, would be additive to the housing supply figures shown in Tables A through G.

Chapter IX

Table A

Studio Dwelling Units: Supply and Demand

A. PUBLIC HOUSING

1. Supply

a) Additional units: Completed by fall of 1967. 87
Completed by mid-1969. 533

b) Forecast of vacancies not absorbed by project transfers.
This vacate rate has been as follows: year ending 4-30-66 = 12.3%
year ending 4-30-67 = 11.5%

Present supply: 266 x estimated 40% usable vacancies during 5-year period 106
Total supply 7-67 to 6-72..... 726

2. Demand

Single persons at Western Addition A-2
Eldery: 38 Non-elderly: 39

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B. PRIVATE HOUSING

Monthly Gross Rent	Estimated Supply		Estimated Demand	
	Range of Vacancies	One-Year Vacates	Single Persons at R/I 20%	1/ Pct. of 25%
Total	1,608 to 1,975	11,339	49	49
Under \$40	-	-		
\$40 - 49	29	61		
50 - 59	93	277		
60 - 69	205	1,094		
70 - 79	318	2,731	16	3
80 - 89	390	2,416	5	13
90 - 99	339	2,592	-	33*
100 -109	71	1,164	28*	
110 -119	107	595		
120 -129	56	409		

1/ All non-elderly single persons

* \$100 and over

Chapter IXTable BOne-Bedroom Dwelling Units : Supply and DemandA. PUBLIC HOUSING1. Supply

a) Additional units : Completed by fall of 1967 22
 Completed by mid-1969 136

b) Forecast of vacates not absorbed by project transfers.
 This vacate rate has been as follows :

year ending 4-30-66:	non-elderly 36.8%;	elderly 27.0%
year ending 4-30-67:	non-elderly 31.6%;	elderly 28.6%

Present supply :	887 non-elderly x 75% during 5-year period	=	665
	292 elderly x 68% during 5-year period	=	199
	Total supply 7-67 to 6-72 :		<u>1022</u>

Estimated Usable Vacates2. Demand

a) Single persons : Western Addition A-2 : 731 Elderly; 339 Non-elderly
 Hunters Point : 19 Elderly; 82 Non-elderly

	750
	<u>421</u>

Total Singles: :1,171

b) Families : Western Addition A-2 401
 Yerba Buena Center 72
 Hunters Point 26

Total Families: 499

Total Demand : 1,670

Table B (continued)
One-Bedroom Dwelling Units: Supply and Demand

B. PRIVATE HOUSING

Monthly Gross Rent	ESTIMATED SUPPLY		ESTIMATED DEMAND					
	Range of Vacancies	One- Year Vacates	Total Singles & Families ¹	Single Persons ¹ / ₂		Families ² / ₂		Hunters Point
				Total	WA-2	Hunters Point	Total	YBC WA-2
Total	2,835 to 3,501	16,221	1,701	942	875	67	759	698
Under \$50		11	-	-	-	-	-	-
\$50 - 59	24	112	-	-	-	-	-	-
60 - 69	59	494	-	-	-	-	-	-
70 - 79	331	913	182	92*	82*	10*	90*	86*
80 - 89	358	2,220	308	113*	105*	8*	195*	181*
90 - 99	339	2,529	188	95*	83*	12*	93	86
100 - 109	217	1,976	642**102	642**	605**	37**	102	95
110 - 119	296	2,048	54	-	-	-	54	46
120 - 129	277	1,772	44	-	-	-	44	36
130 - 139	354	1,553	181***	-	-	-	181***	168***
140 - 149	287	1,378	-	-	-	-	-	-
150 - 159	129	633	-	-	-	-	-	-
160 & Over	164	582	-	-	-	-	-	-

¹/ Classified at 25% of income for gross rent.

²/ Classified at 20% of income for gross rent.

* Eligible for public housing

** \$100 and over

***\$130 and over

Chapter IX
Table C

Two-Bedroom Dwelling Units: Supply and Demand

A. PUBLIC HOUSING

1. Supply

Forecast of vacates not absorbed by project transfers.

This vacate rate was 27.9% and 27.5% for years ending 4-30-66 and 4-30-67 respectively.

Present Supply: 2,673 x estimated 64% usable vacates during 5-year period = 1,711

2. Demand

Families: Western Addition A-2 548; Yerba Buena 40; Hunters Point 161. Total: 749

B. PRIVATE HOUSING

Monthly Gross Rent	ESTIMATED SUPPLY		ESTIMATED DEMAND			
	Range Of Vacancies	One-Year Vacates	Families at 20% of Inc. for Rent			Hunt. Pt.
			Total	WA-2	YBC	
Total	2,172 to 2,985	9,744	358	253	15	90
Under \$60	0	0	-	-	-	-
\$60 - 69	9	23	-	-	-	-
70 - 79	26	230	-	-	-	-
80 - 89	150	657	-	-	-	-
90 - 99	273	1,213	3	-	-	3
100 - 109	335	1,530	64	49	2	13
110 - 119	166	990	35	12	3	20
120 - 129	167	301	54*	38	0	54*
130 - 139	184	980	19	13	6	-
140 - 149	175	860	42	38	4	-
150 - 159	211	786	24	24	-	-
160 - 169	114	463	20	20	-	-
170 - 179	97	345	3	3	-	-
180 - 189	123	477	18	18	-	-
190 and over	142	389	38	38	-	-

* \$120 and over

Chapter IX

Table D

Three-Bedroom Dwelling Units: Supply and DemandA. PUBLIC HOUSING1. Supply

Forecast of vacates not absorbed by project transfers.
This vacate rate was 14.7% and 15.6% for years ending 4-30-66 and 4-30-67 respectively.

Present supply: 1,174 x estimated 42% usable vacates during 5-year period = 493

2. Demand

Families: Western Addition A-2 292; Yerba Buena Center 35; Hunters Point 134. Total 461

B. PRIVATE HOUSING

Monthly Gross Rent	ESTIMATED SUPPLY		ESTIMATED DEMAND			
	Range of Vacancies	One-Year Vacates	Families at 20% of Income for Rent	WA-2	YBC	Hunt. Pt.
Total	639 to 676	2,765	Total			
Under \$90	0	15	203	159	6	38
\$ 90 - 99	14	22	-	-	-	-
100 - 109	43	182	-	-	-	-
110 - 119	14	287	3	-	3	-
120 - 129	58	456	17	5	3	9
130 - 139	117	499	29*11	11	-	29*
140 - 149	101	502	16	16	-	-
150 - 159	57	205	17	17	-	-
160 - 169	163	264	10	10	-	-
170 - 179	29	95	21	21	-	-
180 - 189	14	112	-	-	-	-
190 & over	29	126	26	26	-	-
			53	53	-	-

* \$120 and over

Chapter IX

Table E

Four-Bedroom Dwelling Units: Supply and Demand

A. PUBLIC HOUSING

1. Supply

Forecast of vacancies not absorbed by project transfers.
This vacate rate was 7.1% and 11.2% for years ending 4-30-66 and 4-30-67 respectively.

Present supply: 295 x estimated 26% usable vacates during 5-year period =

77

2. Demand

Families: Western Addition A-2 131; Yerba Buena Center 12; Hunters Point 71. Total

214

B. PRIVATE HOUSING

Monthly Gross Rent	ESTIMATED SUPPLY		ESTIMATED DEMAND			
	Range of Vacancies	One-Year Vacates	Families at 20% of Income for Rent	WA-2	YBC	Hunt. Pt.
Total	113 to 120	400	57	49	3	5
Under \$100	-	24	-	-	-	-
\$100 - 109	-	-	1	-	1	-
110 - 119	-	49	-	-	-	-
120 - 129	-	24	5*	6	-	5*
130 - 139	45	127	5	3	2	-
140 - 149	-	-	8	8	-	-
150 - 159	-	54	11	11	-	-
160 - 169	-	-	8	8	-	-
170 - 179	-	-	-	-	-	-
180 - 189	-	-	5	5	-	-
190 & over	68	122	8	8	-	-

* \$120 and over

Chapter IX

Table F

Five-Bedroom Dwelling Units: Supply and Demand

A. PUBLIC HOUSING

1. Supply

Forecast of vacates not absorbed by project transfers.
This vacate rate was 5% and 15% for years ending 4-30-66 and 4-30-67 respectively.

Present supply: 40 x estimated 25% usable vacates during 5-year period = 10

2. Demand

Families: Western Addition A-2 111; Yerba Buena Center 3; Hunters Point 39. Total 153

B. PRIVATE HOUSING

Monthly Gross Rent	ESTIMATED SUPPLY		ESTIMATED DEMAND			
	Range of Vacancies	One-Year Vacates	Families at 20% of Income for Rent	WA-2	YBC	Hunt. Pt.
Total	43 to 46	145	35	33	0	2
Under \$110	-	-	-	-	-	-
\$110 - 119	43	115	-	-	-	-
120 - 129	-	-	2	-	-	2
130 - 139	-	-	-	-	-	-
140 - 149	-	30	1	1	-	-
150 - 159	-	-	4	4	-	-
160 - 169	-	-	11	11	-	-
170 - 179	-	-	2	2	-	-
180 - 189	-	-	-	-	-	-
190 - 199	-	-	4	4	-	-
200 & over	-	-	11	11	-	-

Chapter IX

Table G

SUMMARY OF SUPPLY AND DEMAND

No. of BR	Households	Public Housing		Private Housing		Recommendations
		Demand	5-yr. Supply	Demand	1-yr. Supply*	
0-BR	Single Persons	77	726	49	9,000+	1. For single persons, use 1:4 rent-income ratio. 2. Admit non-elderly singles to public housing, or use Section 23. 3. Obtain all welfare payments to which displacees are entitled. 4. If needed, obtain local subsidy for lowest-income displacees.
1-BR	Sgls. & Fam. Singles Families	1,670 1,171 499	1,022	1,701 942 759	13,000+	5. Repeat 1 through 4 above. 6. Place most elderly singles in public housing studios for elderly. 7. Accelerate new public housing.
2-BR	Families	749	1,711	358	9,000+	8. Repeat 3 and 4 above.
3-BR	Families	461	493	203	2,600+	9. Repeat 3, 4 and 7 above. 10. Accelerate d3 housing and get advance Section 23 commitments. 11. Raise income limits in public housing if necessary.
4-BR	Families	214	77	57	300+	12. Repeat 3, 4, 7, 10 and 11 above. 13. Raise income limits in d3, if necessary.
5-BR	Families	153	10	35	145	14. Repeat 3, 4, 7, 10 and 11 above. 15. Develop special rehabilitation program. 16. City agree to underwrite losses of 5-BR sponsors.

* Estimated number of vacancies during one-year period, with qualifications as stated in text.
Units in d3 projects should be added to supply figures.

Chapter IXAppendixMethod Used for Estimating Supply Of
Vacates from Public Housing Available
For New Admissions

This Appendix contains an explanation of the method that was used to forecast the number of public housing units that will become available for new admissions over a five year period. The step-by-step description will be followed by an example computation for studio units. These are the steps in the computation for each bedroom grouping.

1. For the two years ending April 30, 1966, determination was made of the average percent of units vacated per year that was available to new admissions. This is lower than the total vacates since deduction was made for those vacated units used for project transfers.
2. This percent was applied to the number of units currently in operation to determine the number that would become available during the first of the five years for new admissions.
3. The new admissions during the first year were subtracted from the starting number, for the computation of the second year's vacates, on the premise that no displacees admitted to public housing will move out during the five-year period — an unrealistic

premise, to be sure, but it was used for a conservative projection of public housing availability.

4. The same vacate rate was then applied to the reduced base to estimate the second year's vacates.
5. The same process was used for the remaining three years, each time reducing the base by the number of units vacated in the previous year available for new admissions.
6. The total vacate volume so computed for the five-year period was then further reduced, to anticipate a possible decline in future outflow. The amount of this reduction was stepped up for the larger units, as shown by the following figures, which record the percentages by which the past vacate rates were discounted for each unit type :

<u>No. of Bedrooms</u>	<u>Pct. Reduction</u>
Studios	15%
1-BR	15
2-BR	20
3-BR	25
4-BR	30
5-BR	35

The following example shows, for studios, the application of the process described in the foregoing six steps.

				Estimated Vacates Available for New Admissions	
<u>Base</u>		<u>Rate</u>			
266	x	12%	=	32	1st year
234	x	12	=	28	2nd year
206	x	12	=	25	3rd year
181	x	12	=	22	4th year
159	x	12	=	19	5th year
Total :				126 ÷ 266 = 47.4%	

47.4% discounted by 15% = 40.3% (rounded to 40%)

40% x 266 = 106 vacates, as shown in Table A.

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